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Employee-Benefit Plans, 1954-58

Automatic Cost-of-Living Adjustment of
Pensions in Foreign Countries



1935

• Twenty-fifth Anniversary of the Social Security Act

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Social Security in Review

BEneficiaries receiving monthly benefits under the old-age, survivors, and disability insurance program numbered 13.7 million by the end of 1959. To put into effect the benefit increases provided by the 1958 amendments, first payable for January 1959, certain operations affecting statistical data were suspended for December 1958. Figures on monthly benefits in current-payment status at the end of December 1958 are thus not available, and references to end-of-1958 data in the discussion that follows are to the figures for the end of November 1958. Figures on benefits awarded in December 1958 are included with January 1959 awards; references to 1958 awards are to the 11-month period January–November 1958 and references to 1959 awards are to the 13-month period December 1958–December 1959.

The rise (1.3 million) from November 1958 to the end of 1959 in the number of beneficiaries in current-payment status was about the same as in 1958 and was larger than that in any other year but 1957. Old-age (retired - worker) beneficiaries accounted for almost 48 percent of the total increase and at the end of the year numbered 7.5 million, 9 percent more than at the end of 1958. A 41-percent rise in the number of disabled workers aged 50–64 receiving disability insurance benefits brought the total to 334,000 at the end of 1959. About 126,000 benefits were going to wives, husbands, and children of disabled-worker beneficiaries. Among beneficiaries receiving the other types of monthly benefits, the increases ranged from 6 percent for widowed mothers to 15 percent for aged dependent parents.

Monthly benefits in current-payment status at the end of December totaled \$845.1 million—21 percent more than the monthly rate at the end of 1958. The larger benefits provided by the 1958 amendments to the Social Security Act accounted for a substantial part of the increase. Other contributing factors were (1) the continuing growth in the number of beneficiaries and (2) the rising proportion of benefits based on recent higher earnings and with as many as 5 years of lowest earnings and periods of total disability omitted from the benefit computation.

At the end of 1959, 11 million men

aged 65 or over and women aged 62 or over were receiving monthly benefits—915,000 more than at the end of 1958. Retired workers receiving old-age benefits made up 68 percent of all aged beneficiaries; their average monthly benefit of \$72.78 was \$6.43 higher than that in November 1958. Persons receiving wife's or husband's benefits represented 19 percent of the aged group; those receiving widow's or widower's benefits, 13 percent; and those receiving parent's benefits, less than one-half of 1 percent. Mother's and child's benefits (including child's benefits going to disabled persons whose disability began before they

	December 1959	November 1959	December 1958
Old-age, survivors, and disability insurance:			
Monthly benefits in current-payment status:			
Number (in thousands)	13,704	13,644	(¹)
Amount (in millions)	\$845.1	\$840.5	(¹)
Average old-age benefit (retired worker)	\$72.78	\$72.71	(¹)
Average old-age benefit awarded in month	\$82.26	\$81.64	(¹)
Public assistance:			
Recipients (in thousands):			
Old-age assistance	2,394	2,398	2,455
Aid to dependent children (total)	2,953	2,926	2,851
Aid to the blind	109	109	110
Aid to the permanently and totally disabled	350	348	328
General assistance (cases)	399	413	434
Average payments:			
Old-age assistance	\$65.86	\$65.53	\$64.08
Aid to dependent children (per recipient)	29.02	28.77	28.29
Aid to the blind	71.29	69.18	68.29
Aid to the permanently and totally disabled	64.64	63.94	62.58
General assistance (per case)	69.45	69.58	68.94
Unemployment insurance (State programs):			
Initial claims (in thousands)	1,645	1,501	1,910
Beneficiaries, weekly average (in thousands)	1,545	1,285	1,706
Benefits paid (in millions)	\$219.5	\$168.3	\$230.1
Average weekly payment for total unemployment	\$31.91	\$32.21	(²)

¹ Not available.

² Comparable data not available.

reached age 18) were being paid to 2.3 million persons — 269,000 more than at the end of 1958.

During the period December 1958–December 1959, 2.5 million monthly benefits were awarded—more than in any other year except 1957. Included in the total were 1,090,000 old-age benefits awarded to retired workers and 178,000 benefits to disabled workers. Record highs were set for awards of child's benefits (427,000), mother's benefits (102,000), and parent's benefits (8,000). About 445,000 benefits were awarded to wives or husbands of retired or disabled workers and 253,000 benefits to aged widows or widowers of deceased workers. Contributing to the record number of child's benefit awards were the 79,000 benefits awarded to children of disabled-worker beneficiaries. The record number of parent's benefit awards resulted mainly from the provision in the 1958 amendments that provides benefits for the dependent parent of a deceased worker even though a widow, dependent widower, or dependent child of the worker also survives.

Lump-sum death payments in 1959 numbered 855,000, about 136,000 more than the record number in 1957. About 822,000 deceased workers were represented in these awards; the average lump-sum payment per worker represented in the December awards was \$210.41.

Monthly benefit payments in-

creased 20 percent in 1959, rising to a total for the year of \$10,127 million. Lump-sum death payments amounted to \$171 million—29 percent higher than the amount paid in the preceding year. Monthly and lump-sum benefits paid in 1959 totaled \$10,298 million — more than double the amount paid only 4 years earlier.

A period of disability was established during January–December 1959 for 185,000 workers of all ages, about the same number as in 1958. In 1959, 33,000 disabled persons aged 18 or over who had applied for child's benefits were found to have a disability that began before they had reached age 18. The number was 12,000 greater than that in 1958. Between July 1955 and December 1959, nearly 850,000 workers and dependent children were found to be severely disabled and to meet the disability requirements of the law.

- In December 1959, payments under the five public assistance programs were made to 6.9 million persons — 74,000 or 1.1 percent fewer than in December 1958. Most of the net decrease occurred during the spring and early summer months. Among the programs, the year's greatest change — a decrease of 140,000—took place in general assistance. The number of recipients of old-age assistance dropped 61,000, and in aid to the blind there was a decrease of 1,000. In aid to dependent

children and aid to the permanently and totally disabled the number of recipients increased by 103,000 and 23,000, respectively.

Total expenditures for assistance, including vendor payments for medical care, amounted to \$3,677 million in 1959—\$243 million or 7.1 percent more than in 1958. Total payments to recipients rose \$51 million or 2.8 percent in old-age assistance, \$107 million or 12.0 percent in aid to dependent children, \$3 million or 3.8 percent in aid to the blind, and \$31 million or 13.7 percent in aid to the permanently and totally disabled. For general assistance, total payments, excluding vendor payments for medical care, rose \$37 million or 12.1 percent.

The increase in total assistance payments under the four federally aided programs from 1958 to 1959 reflected in part the impact of the public assistance amendments to the Social Security Act that became effective October 1, 1958. With the additional Federal funds provided under the amendments, most of the States acted to increase individual payments in October 1958 or shortly thereafter—most commonly by raising cost standards. Further changes in State programs during 1959 also contributed to the rise in total assistance payments; for example, more than a third of the States with maximums on individual monthly pay-

(Continued on page 31)

	December 1959	November 1959	December 1958	Calendar year 1958	1957
Civilian labor force, ^{1,2} total (in thousands)	69,276	69,310	68,081	68,647	67,946
Employed	65,699	65,640	63,973	63,966	65,011
Unemployed	3,577	3,670	4,108	4,681	2,936
Personal income (in billions, total seasonally adjusted at annual rates) ^{1,3}	\$390.7	\$386.9	\$366.9	\$359.0	\$350.6
Wage and salary disbursements	264.2	261.1	247.0	239.4	238.5
Proprietors' income	47.7	46.5	47.6	46.6	44.5
Personal interest income, dividends, and rental income	49.3	49.3	43.7	44.7	43.4
Social insurance and related payments	22.5	22.6	20.6	20.4	16.2
Public assistance	3.2	3.2	3.2	3.0	2.8
Other	12.6	12.6	11.9	12.0	11.8
Less: Personal contributions for social insurance	8.5	8.4	7.1	7.0	6.7
Consumer price index, ^{1,4} all items (1947-49 = 100)	125.5	125.6	123.7	123.5	120.2
Food	117.8	117.9	118.7	120.3	115.4
Medical care	153.2	153.0	147.6	144.6	138.0

¹ Data relate to continental United States, except that personal income includes pay of Federal personnel stationed abroad.

² Bureau of the Census and Bureau of Labor Statistics.

³ Data from the Office of Business Economics, Department of

Commerce. Components differ from those published by the Department, since they have been regrouped; for definitions, see the *Annual Statistical Supplement, 1958*, page 1, table 1.

⁴ Bureau of Labor Statistics.

Employee-Benefit Plans, 1954-58

by ALFRED M. SKOLNIK*

By the end of 1958, employee-benefit plans were covering 95 million persons—workers and their dependents—under some form of health insurance, 42 million persons under life insurance, and 19 million employees under private retirement insurance. The growth of these plans and the scope and adequacy of the protection provided are analyzed in the following article, which continues the annual series initiated by the Social Security Administration in 1958.

FOR most types of employee-benefit plans, 1958 was a year of limited growth. Primarily as the result of the economic recession that started in late 1957, the advances made in coverage, contributions, and benefits in 1958 were less than those of previous years. The gains appear more impressive when related to changes in the total employed labor force and in aggregate wage and salary disbursements, but this measure of growth has certain limitations when it is applied to periods of recession, particularly with respect to coverage.¹

"Employee-benefit plan" is defined here to denote any type of plan sponsored or initiated unilaterally or jointly by employers and employees and providing benefits that stem from the employment relationship and that are not underwritten or paid directly by government (Federal, State, or local). Private plans written in compliance with State temporary disability insurance laws have been included in the series, but workmen's compensation and statutory provisions for employer's liability have been excluded. Also excluded are retirement and sick-leave

plans for government employees, where the government in its capacity as an employer pays benefits directly to its employees.²

Government employees who are covered by employee-benefit plans that are underwritten by nongovernmental agencies are included, however, whether or not the government unit contributes to the financing of the program. Specifically involved here are plans providing government employees with group life insurance, accidental death and dismemberment insurance, and hospitalization, surgical, regular medical, and major medical expense benefits. The decision to include these plans has been influenced in part by the fact that most of the available data on employee-benefit plans do not readily permit a distinction to be drawn between plans for government employees and those in private industry.

An ever-increasing number of government employees covered by such programs are having their benefits financed in part by government contributions. The movement toward government financial participation received impetus when, in 1954, the Federal Government adopted a group life insurance and accidental death and dismemberment insurance pro-

gram for its 2 million employees. During 1958, Wisconsin established a group life insurance program covering 16,000 State employees.

In the field of group health insurance, New York City pioneered as early as 1946 with the adoption of a privately underwritten program to which it contributed, affecting 40,000 city employees initially. At the State level, Massachusetts and New York enacted similar programs in 1956 for 33,000 and 88,000 State employees, respectively. The New York program was extended in 1958 to local government units outside New York City having a potential coverage of 300,000 employees. The passage of the Federal Employees Health Benefits Act (Public Law 86-382, approved September 28, 1959), which will go into effect July 1, 1960, is expected to stimulate further this movement among the States.

Highlights of 1958

Major developments in the field of employee-benefit plans in 1958 included the following:

(1) Further liberalization of hospital, surgical, and other health benefit plans, mainly in an effort to keep up with the rising cost of medical care. Fewer changes of this type were made, however, than in previous years. The Bureau of Labor Statistics reports that only 36 percent of a selected group of collective-bargaining settlements negotiated in 1958 provided for changes in health and welfare benefits, in contrast to 40 percent in 1957 and 45 percent in 1956.³

(2) Mounting concern over the problem of assuring retirees of adequate retirement income as the purchasing power of the dollar continued to drop. As a result of this concern, some pension plans have been experimenting with variable annuities.

² For a discussion of the reasons for including or excluding certain types of "fringe" benefits and private or public plans, see Alfred M. Skolnik and Joseph Zisman, "Growth in Employee-Benefit Plans," *Social Security Bulletin*, March 1958, page 4; and Alfred M. Skolnik and Joseph Zisman, "Growth in Employee-Benefit Plans, 1954-57," *Social Security Bulletin*, March 1959, page 4. The various benefits are described in the latter article, pages 5-8.

³ Department of Labor, Bureau of Labor Statistics, *Current Wage Developments*, February 1, 1959, No. 134, page 14.

* Division of Program Research, Office of the Commissioner.

¹ Coverage estimates are derived from sources that often continue to report persons as covered by employee-benefit plans even after they have left the payroll, whether voluntarily or involuntarily. In normal times no major distortions result, but in periods of recession, with a contraction in the employed labor force, the net effect is generally to show higher-than-usual jumps in the computed proportion of the employed wage and salary labor force covered by employee-benefit plans.

"equity" benefits, or benefits linked to the cost of living. Many have adopted benefit formulas that base pensions on "final-average" earnings and/or increase the percentage of compensation or flat dollar amounts credited for each year of service. The continued preference for trust funds with diversified investment portfolios over insured pension plans, or for a combination of the two through "split-funding," has also been influenced by the desire to provide a hedge against inflation.

(3) Growth of comprehensive or "single-plan" major medical expense insurance, at a rate even faster than that of the supplementary or "corridor" type of major medical insurance. In 1958, 8,400 new comprehensive plans were written, covering three-quarters of a million employees — more than three times the number covered by the 1,220 new plans written in 1956. By way of contrast, the 4,350 new policies written in 1958 for supplemental major medical expense insurance covered about 235,000 fewer employees than were added in 1956. Featuring the growth of major medical expense insurance has been the extension of

coverage to small firms. The average size of new groups covered for supplemental major medical expense insurance declined from 391 employees in 1956 to 178 in 1958; for comprehensive major medical expense insurance, the drop was from 179 to 89 employees.⁴

(4) Spread of separation-pay and severance-pay plans providing special payments to workers dropped from the payroll. Though such plans were not new, their development gained impetus as the result of the 1958 negotiations in the automobile and apparel industries. In the former industry, long-term employees permanently laid off were assured of lump-sum payments financed from existing supplemental unemployment benefit funds. In the latter industry, severance-pay funds were established for employees of firms going out of business; the funds are financed through employer contributions of 0.5-1.0 percent of payroll. The research department of the American Federation of Labor-Congress of Industrial Organizations reports that

⁴ Institute of Life Insurance, *Group Insurance and Group Annuity Coverage, 1954* and *1956-58*.

perhaps as many as 25 percent of all agreements in 1959 contained severance-pay provisions, in comparison with 16 percent in early 1956.⁵

(5) Introduction of group long-term disability insurance. This type of protection is generally for key executives and is designed to supplement existing group weekly indemnity and sick-leave plans by providing monthly income to totally disabled persons after their benefits under short-term plans have been exhausted by illnesses of long duration.

(6) First employees' cash indemnity insurance plan for regular dental care reported as negotiated under collective bargaining — between the Oil, Chemical, and Atomic Workers International Union and Helena Rubenstein, Inc. Dental plans previously included under collective bargaining provided for dental services, generally through health centers or group practice clinics operated by

⁵ For a description of some representative severance-pay plans, see Harland Fox and N. Beatrice Worthy, *Severance Pay Patterns in Manufacturing* (National Industrial Conference Board, Studies in Personnel Policy, No. 174), 1959.

Table 1.—Estimated number of wage and salary workers and their dependents covered under employee-benefit plans,¹ by type of benefit, December 31, 1954 and 1956-58

[In millions]

Type of benefit	1954			1956			1957			1958		
	Total	Employees	Dependents									
Benefit for all wage and salary workers:												
Life insurance and death benefits ²	30.9	29.8	1.1	37.8	35.5	2.3	40.5	37.8	2.7	41.8	39.0	2.8
Accidental death and dismemberment ³	14.0	14.0	—	17.3	17.3	—	18.4	18.4	—	18.7	18.7	—
Hospitalization ⁴	75.3	31.1	44.2	89.0	35.6	53.4	93.9	37.1	56.8	95.0	37.2	57.8
Written in compliance with law	1.4	1.4	—	1.5	1.5	—	1.6	1.6	—	1.5	1.5	—
Surgical ⁵	66.2	27.8	38.4	82.0	33.2	48.8	87.8	35.0	52.8	89.5	35.2	54.3
Regular medical ⁶	38.1	17.0	21.1	54.6	22.7	31.9	60.7	24.9	35.8	63.6	25.7	37.9
Major medical expense ⁷	1.9	.8	1.1	8.3	3.6	4.7	12.4	5.1	7.3	16.2	6.3	9.9
Benefits for wage and salary workers in private industry:												
Temporary disability, including formal sick leave ⁸	22.9	22.9	—	25.2	25.2	—	25.8	25.8	—	24.9	24.9	—
Written in compliance with law	6.7	6.7	—	7.1	7.1	—	7.2	7.2	—	6.9	6.9	—
Supplemental unemployment benefits ⁹	—	—	—	2.0	2.0	—	1.9	1.9	—	1.7	1.7	—
Retirement ¹⁰	14.2	14.2	—	16.8	16.8	—	18.2	18.2	—	19.0	19.0	—

¹ Plans whose benefits flow from the employment relationship and are not underwritten or paid directly by government (Federal, State, or local). Excludes workmen's compensation required by statute and employer's liability.

² Group and wholesale life insurance coverage (Institute of Life Insurance, *Group Insurance and Group Annuity Coverage, 1954* and *1956-58*) and self-insured death benefit plan coverage (based on data for various trade-union, mutual benefit association, and company-administered plans).

³ Data from the Institute of Life Insurance (see footnote 2).

⁴ Data from *Extent of Voluntary Health Insurance Coverage in the United States* (Health Insurance Council, 1954 and 1956-58) and from the Institute of Life Insurance (see footnote 2). In estimating number of employees covered under plans other than group insurance and union and company plans, 75 percent of all subscribers assumed to be employees. Data for hospitalization, surgical, and regular medical coverage include employees and their dependents covered by group major medical expense insurance under both supplementary and comprehensive plans. Comprehensive major medical plans, which include both

basic hospital-surgical-medical benefits and major medical expense protection in the same insurance contract, covered 1,960,000 employees and 3,193,000 dependents in 1958.

⁵ Includes private hospital plans written in compliance with State temporary disability insurance law in California, shown separately in next line.

⁶ Data from the Health Insurance Council (see footnote 4). Includes private plans written in compliance with State temporary disability insurance laws in California, New Jersey, and New York, shown separately in next line.

⁷ Based on trade-union and industry reports. Excludes dismissal wage and separation allowances, except when financed by supplemental unemployment benefit funds.

⁸ Estimated by the Division of the Actuary, Social Security Administration. Includes pay-as-you-go and deferred profit-sharing plans, plans of nonprofit organizations, union pension plans, and railroad plans supplementing the Federal railroad retirement program; excludes annuitants.

union welfare funds. At the beginning of 1958 an estimated 225,000 employees were covered under these and other prepaid dental care plans sponsored by unions, employees, and/or employers.

(7) Passage of the Welfare and Pension Plans Disclosure Act. This Federal legislation requires that plan descriptions and annual reports on employee-benefit operations be filed with the Department of Labor. (This development was discussed in the BULLETIN for March 1959.)

Trends, 1954-58

Not all the developments listed above are reflected in the statistics presented in tables 1, 2, and 3. Group long-term disability insurance and dental care insurance, for example, are not yet extensive enough to be reported through the sources generally relied upon for data on voluntary insurance. Severance-pay benefits, while fairly widespread, are difficult to estimate because they are generally not funded but paid out of the current revenue of companies. To the extent, though, that severance-pay provisions are linked with supplemental unemployment benefits, their operations are reflected in the tables.

Coverage

In 1958, as in preceding years, more employees and their dependents were covered through their place of employment for hospital expense (95 million) than for any other type of benefit (table 1). More than 89 million persons were protected against the costs of surgery, and 64 million against regular medical expense. When employee coverage alone is considered, life insurance was the most common type of protection, covering about 39 million employees, with hospital expense insurance in second place and surgical expense insurance in third.

Primarily as the result of the economic recession, the annual increase in the number of employee participants from 1957 to 1958 was the lowest recorded since the first series estimates were made for 1954. Life insurance and major medical expense plans added the most employees—1.2 million each—from 1957 to 1958, but

Table 2.—Estimated total employer and employee contributions¹ under employee-benefit plans,² by type of benefit, 1954 and 1956-58

[In millions]

Type of benefit	1954	1956	1957	1958
Total	\$6,807.4	\$8,751.4	\$9,899.7	\$10,480.1
Benefits for all wage and salary workers:				
Life insurance and death benefits ³	741.1	994.6	1,103.6	1,282.8
Accidental death and dismemberment ⁴	33.5	49.7	56.5	60.9
Hospitalization ⁵	1,221.4	1,803.2	1,805.5	1,944.9
Surgical and regular medical ⁶	684.2	897.5	1,021.3	1,075.5
Major medical expense ⁷	18.0	94.0	169.0	266.0
Benefits for wage and salary workers in private industry:				
Temporary disability, including formal sick leave ⁸	759.2	887.8	993.3	1,020.0
Written in compliance with law	178.2	177.9	181.9	184.3
Supplemental unemployment benefits ⁹			125.0	170.0
Retirement ¹⁰	3,440.0	4,100.0	4,580.0	4,680.0

¹ Excludes dividends in group insurance, except for 1954; contributions for temporary disability, hospitalization, surgical and regular medical, and major medical expense benefits.

² Plans whose benefits flow from the employment relationship and are not underwritten or paid directly by government (Federal, State, or local). Excludes workmen's compensation required by statute and employer's liability.

³ Group and wholesale life insurance premiums (Institute of Life Insurance, *Group Insurance and Group Annuity Coverage*, 1954 and 1956-58) and self-insured death benefit costs (based on data for various trade-unions, mutual benefit association, and company-administered plans).

⁴ Data from Institute of Life Insurance (see footnote 3).

⁵ Data from "Voluntary Health Insurance and Medical Care Expenditures, 1948-58," *Social Security Bulletin*, December 1959. In estimating contributions for employees under plans other than group insurance and union and company plans, 75 percent of subscription income attributed to employed groups.

even this expansion fell short of the 2.3 million and 1.5 million additional employees reported under life insurance and major medical expense plans, respectively, in the preceding year.

Health insurance plans in general showed the greatest slackening in the increase in number of employees protected. Hospitalization insurance covered only 100,000 more employees in 1958 than in 1957, compared with an expansion of 1.5 million in the preceding year. The number of employees in surgical plans increased by only 200,000 in 1958 but by 1.8 million in 1957; the 1958 increase in the number covered under plans affording regular medical expense benefits was 800,000 in contrast to 2.2 million. Employee coverage under temporary disability and formal sick-leave plans actually dropped 0.9 million from 1957 to 1958; in the preceding year there had been a rise of 0.6 million.

Private pension plans fared somewhat better, with a 1958 increase of 800,000 in the number of participants, compared with a 1.4-million increase in 1957. Supplemental unemployment benefit plans continued the decline

⁶ Includes private hospital plans written in compliance with State temporary disability insurance law in California; separate data not available for these plans.

⁷ Unpublished data from the Health Insurance Association of America. Includes premiums for group supplementary and comprehensive major medical insurance.

⁸ Data from "Income-Loss Protection Against Short-Term Sickness: 1948-58," *Social Security Bulletin*, January 1960. Includes private plans written in compliance with State temporary disability insurance laws in California, New Jersey, and New York, shown separately in next line.

⁹ Based on trade-union and industry reports. Excludes dismissal wage and separation allowances, except when financed by supplemental unemployment benefit funds.

¹⁰ Estimated by the Division of the Actuary, Social Security Administration. Includes contributions to pay-as-you-go and deferred profit-sharing plans, plans of nonprofit organizations, union pension plans, and railroad plans supplementing Federal railroad retirement program.

that started in 1957 after the heavy lay-offs in the automobile and steel industries; no major plans of this type have been adopted since 1956.

Since 1954, the greatest percentage gains in employee coverage have occurred in regular medical expense and major medical expense insurance. The gain in major medical insurance is to be expected because of the low base with which the series started in 1954—fewer than a million employees. Regular medical expense insurance, which covered 17 million employees in 1954, rose 51 percent in the next 4 years. Private pension plans and accidental death and dismemberment policies showed the next highest gains (34 percent each).

It is not surprising that those types of benefit plans with the greatest numerical coverage in 1954 showed the smallest percentage increases in the 4 years 1955-58—hospitalization (20 percent), life insurance (31 percent), surgical expense insurance (27 percent), and temporary disability insurance (9 percent). This may be a reflection of the fact that, as certain broad levels of coverage are achieved, it becomes easier to expand

existing employee-benefit programs to include other types of benefits than to initiate new plans among employees who have no fringe benefits whatever.

The growth of coverage in 1958 was more pronounced for dependents than for employees, again reflecting the relative ease with which existing plans can be expanded to include new services or persons. Major medical expense insurance showed an increase in the number of covered dependents equal to the 1957 increase (2.6 million). Other health insurance plans protected 1-2 million more dependents in 1958 than in 1957, a much smaller increase than the 3-4 million rise of the preceding year.

The greatest percentage growth in dependents' coverage obviously took place in the relatively new fields of major medical expense and dependents' life insurance, each of which covered only 1.1 million persons in 1954. By 1958 the former was covering nine times as many dependents, and the latter almost three times as many. In plans covering dependents, as in those for employees, regular medical care protection showed a greater gain (80 percent) from 1954 to 1958 than insurance providing surgical benefits (41 percent) and hospitalization (31 percent).

Contributions

Employer and employee contributions to employee-benefit plans totaled an estimated \$10.5 billion in 1958, a 6-percent rise from the 1957 estimate of \$9.9 billion (table 2). This rate of increase was the lowest recorded since the series began in 1954. Contributions were lower in 1958 only for plans paying supplemental unemployment benefits. The reduction of work hours in the automobile and steel industries, where these plans are concentrated, had an immediate impact on contributions, which dropped from an estimated \$170 million in 1957 to \$150 million.

The largest dollar increases in contributions were for plans providing life insurance and hospitalization; percentagewise, the greatest gain was in premiums for major medical expense insurance (57 percent). Except for life insurance, no other type of plan showed an increase from 1957

to 1958 of more than 10 percent. The rate of increase from 1957 to 1958 was greater than that from 1956 to 1957 only for life insurance—16 percent compared with 11 percent.

Of the \$10.5 billion paid in contributions in 1958, private retirement plans accounted for \$4.7 billion or 45 percent. Next in order of magnitude were premiums for hospitalization, which amounted to \$1.9 billion or 19 percent, and premiums for life insurance—\$1.3 billion or 12 percent.

These percentages represent some shifting in the distribution of the contribution dollar since 1954. In that year, retirement plans absorbed 50 percent of all contributions, and hospitalization and life insurance took 18 percent and 11 percent, respectively. Other major types of plans consumed about the same proportion of the contribution dollar in 1958 as in 1954, with the exception of major medical expense insurance, where premiums rose from less than 1 percent to 3 percent.

Benefits

Benefits paid under all types of employee-benefit plans increased an

estimated 11.5 percent—from \$5.6 billion in 1957 to \$6.2 billion in 1958 (table 3). This increase was smaller, both absolutely and relatively, than the increase of the preceding year. Accounting for the largest part of the dollar increase in benefit outlays were the hospitalization plans (\$179 million), retirement plans (\$150 million), and major medical expense plans (\$102 million). In 1957, hospitalization and retirement plans also showed the greatest dollar increases, but life insurance ranked third.

Disbursements under supplemental unemployment benefit plans were an estimated \$105 million in 1958—more than four times the 1957 amount. They rose rapidly in the first half of 1958, as the automobile and steel industries felt the full brunt of the recession, and continued at a fairly high level for the rest of the year as employment picked up slowly in these industries.

No other type of benefit plan (except major medical expense) increased its benefit outlays by more than 15 percent from 1957 to 1958. Benefits for retirement increased 13 percent, for hospital expense 10 per-

Table 3.—*Estimated benefits paid under employee-benefit plans,¹ by type of benefit, 1954 and 1956-58*

[In millions]

Type of benefit	1954	1956	1957	1958
Total.....	\$3,526.5	\$4,824.8	\$5,599.5	\$6,245.5
Benefits for all wage and salary workers:				
Life insurance and death benefits ²	515.6	662.8	798.2	872.5
Accidental death and dismemberment ³	25.1	30.5	36.7	42.2
Hospitalization ⁴	1,079.9	1,495.4	1,714.1	1,892.7
Written in compliance with law.....	5.1	6.3	6.8	8.5
Surgical and medical ⁵	552.6	757.9	876.9	929.1
Major medical expense ⁶	10.0	67.0	131.0	233.0
Benefits for wage and salary workers in private industry:				
Temporary disability, including formal sick leave ⁷	623.3	796.2	867.6	871.0
Written in compliance with law.....	132.0	151.2	178.2	183.7
Supplemental unemployment benefits ⁸			5.0	25.0
Retirement ⁹	720.0	1,010.0	1,150.0	1,300.0

¹ Plans whose benefits flow from the employment relationship and are not underwritten or paid directly by government (Federal, State, or local). Excludes workmen's compensation required by statute and employer's liability.

² Group and wholesale life insurance benefits (Institute of Life Insurance, *Life Insurance Fact Book*, 1959, and estimates made by the Social Security Administration) and self-insured death benefits (based on data for various trade-union, mutual benefit association, and company-administered plans).

³ Unpublished data from the Institute of Life Insurance.

⁴ Data from "Voluntary Health Insurance and Medical Care Expenditures, 1948-58," *Social Security Bulletin*, December 1959. In estimating benefits paid to employees under plans other than group insurance and union and company plans, 75 percent of benefit expenditures attributed to employed groups.

⁵ Includes private hospital plans written in compliance with State temporary disability insurance law in California, shown separately in next line.

⁶ Unpublished data from the Health Insurance Association of America. Includes benefits paid under group supplementary and comprehensive major medical insurance.

⁷ Data from "Income-Loss Protection Against Short-Term Sickness: 1948-58," *Social Security Bulletin*, January 1960. Includes private plans written in compliance with State temporary disability insurance laws in California, New Jersey, and New York, shown separately in next line.

⁸ Based on trade-union and industry reports. Excludes benefits held in escrow in States where litigation was pending on the legality of supplementing State unemployment insurance benefits with supplemental unemployment benefits. Excludes dismissal wage and separation allowances, except when financed from supplemental unemployment benefit funds.

⁹ Estimated by the Division of the Actuary, Social Security Administration. Includes benefits paid under pay-as-you-go and deferred profit-sharing plans, plans of nonprofit organizations, union pension plans, and railroad plans supplementing Federal railroad retirement program.

cent, and for life insurance 9 percent. Benefits for temporary disability expanded the least—less than 1 percent.

In 1958 as in previous years, hospitalization benefits (\$1.9 billion) were the largest single benefit outlay and accounted for 30 percent of all benefits paid. Private retirement benefits of \$1.3 billion were next in magnitude and accounted for 21 percent, followed by surgical and regular medical benefits of \$0.9 billion, equivalent to 15 percent of the total. Life insurance and temporary disability insurance plans were each responsible for 14 percent. In 1954, benefits for temporary disability ranked third and represented 18 percent of all disbursements.

Measuring Real Growth

Often of more significance than numerical changes in the number of employees covered and in the amounts contributed for various types of benefits is the extent to which these changes represent real

advances in terms of the total wage and salary labor force and aggregate payrolls. For those types of benefits for which data for government employees are included, table 4 relates coverage and contributions to all employed wage and salary workers and their payrolls. For retirement, temporary disability, and supplemental unemployment benefits, which exclude data for government workers, coverage and contributions are related to the employed wage and salary labor force and payroll in private industry.

In 1958, growth in coverage kept ahead of the growth in the labor force for every type of employee benefit except temporary disability and supplemental unemployment benefits. By the end of the year, 70 percent of the Nation's employed wage and salary labor force had life insurance coverage, compared with 66 percent in 1957; 67 percent had some form of health insurance coverage, in comparison with 65 percent in 1957. Private pension plans cov-

ered 40 percent of the wage and salary labor force in private industry, an increase for the year of 3 percentage points.⁶

Since 1954, all major types of benefits except temporary disability have shown an increase of at least 7 percentage points in the proportion of the labor force covered. Regular medical expense insurance showed the greatest increase (14.0 percentage points), followed by life insurance (13.6 points) and surgical expense insurance (10.5 points).

Table 4 also shows annual increases in contributions as a percent of aggregate wages and salaries for all types of employee benefits except supplemental unemployment benefits. For some benefits the increase in contribution rates was greater in 1958 than in 1957. Life insurance contributions advanced from 48 cents per \$100 of aggregate wages and salaries in 1957 to 56 cents in 1958, or 8 cents per \$100, in contrast to a rise of 2 cents per \$100 from 1956 to 1957. Hospitalization and major medical expense insurance also showed greater increases in 1958 (6 cents and 5 cents per \$100) than in 1957 (5 cents and 3 cents per \$100).

For other benefits, there was a slackening in the annual rate of increase in contribution rates. Employer-employee contributions to retirement plans increased only 8 cents per \$100 of private wages and salaries (from \$2.31 in 1957 to \$2.39 in 1958), in contrast to the 15-cent rise registered for the preceding year. Contributions for surgical and regular medical benefits rose only half as much in 1958 as in 1957, when measured in terms of payroll.

A precautionary note must be made here with respect to these measurements of growth. Estimates of coverage, contributions, and benefits are based for the most part on reports by private insurance companies and other nongovernment agencies. The insurance industry generally bases its reports on active participants—a group not necessarily restricted to

Table 4.—Coverage and contributions under employee-benefit plans,¹ by type of benefit, in relation to employed wage and salary labor force and payroll, 1954 and 1956–58

Year	Life insurance and death	Accidental death and dismemberment	Hospitalization	Surgical	Regular medical	Major medical expense	Temporary disability, including formal sick leave	Supplemental unemployment	Retirement
Covered employees as percent of all wage and salary workers ²									
1954-----	56.2	26.4	58.7	52.5	32.1	1.5	49.9	-----	31.0
1956-----	62.5	30.4	62.8	58.5	40.0	6.3	51.3	4.1	34.2
1957-----	66.0	32.2	64.8	61.2	43.5	9.0	52.2	3.6	36.9
1958-----	69.8	33.5	66.6	63.0	46.1	11.3	52.1	3.6	39.8
Employer and employee contributions as percent of all wages and salaries ³									
Employer and employee contributions as percent of wages and salaries in private industry ⁴									
1954-----	0.04	0.02	0.66	* 0.37	0.01	0.47	-----	2.12	
1956-----	.46	.02	.74	* .41	.04	.47	0.07	2.16	
1957-----	.48	.02	.79	* .45	.07	.50	.09	2.31	
1958-----	.56	.03	.85	* .47	.12	.52	.08	2.39	

¹ Plans whose benefits flow from the employment relationship and are not underwritten or paid directly by government (Federal, State, or local). Excludes workmen's compensation required by statute and employer's liability.

² Coverage of private and public employees related to average number of private and government full-time and part-time employees—55.9 million in 1958. (Table VI-14 in *U. S. Income and Output, A Supplement to the Survey of Current Business, 1958*, and in *Survey of Current Business, National Income Number, July 1959*.)

³ Coverage of private employees related to wage

and salary employed labor force in private industry—47.7 million in 1958 (from table VI-14 in sources listed in footnote 2).

⁴ Amounts for private and public employees related to private and government wages and salaries—\$229.6 billion in 1958 (from table VI-2 in sources listed in footnote 2).

⁵ Amounts for private employees related to wages and salaries in private industry—\$196.2 billion in 1958 (from table VI-2 in sources listed in footnote 2).

⁶ Data on contributions for surgical and regular medical benefits not available separately.

⁶ If government employees covered by Federal, State, or local public retirement systems were included, the proportion of the entire employed labor force covered by retirement plans would have been 45 percent in 1958 and 42 percent in 1957.

wage and salary workers currently employed.

Some group life and health insurance policies are sold, for example, to trade, farm, professional, and other associations, including veterans' groups and credit unions, that include in their membership persons not in the wage and salary labor force. According to a study by the Institute of Life Insurance, more than 3 percent of the group life certificates held in 1956 had been issued to members of such institutions.⁷

Active participants may also include persons who have been temporarily laid off or retired. The practice of continuing the coverage of a retired worker as a member of the existing group is particularly prevalent in group life insurance and is becoming increasingly significant in group health insurance.⁸ Many group plans permit a person who is temporarily laid off to continue his group life or health coverage, on payment of premiums, for 3-6 months or even longer.

The treatment of the laid-off worker has special implications for coverage estimates under pension plans. Insurance companies include in their reports persons who may be eligible for deferred paid-up benefits, even though they are no longer working in the establishment that has the plan. Some noninsured plans also report as covered workers those who have left employment after having built up a vested right to a pension. In the steel industry, pension coverage continues during lay-off for as long as 2 years under the terms of the standard pension plans.

⁷Life Insurance Fact Book, 1959 edition, page 29.

⁸According to Institute of Life Insurance estimates, more than two-thirds of the persons covered by group life insurance plans are under programs that provide for the continuation of coverage after retirement, although for reduced amounts in most cases. A study by the New York State Insurance Department showed that in 1956 about one-third of the employees covered under group hospital expense contracts in the State were in plans that continued benefits of some type after retirement; almost two-thirds of these employees have had this benefit added since 1952 (*Voluntary Health Insurance and the Senior Citizen*, 1958, pages 23-27).

No attempt has been made in this series to adjust data on coverage, contributions, and benefits for any overstatement that might result from the inclusion of persons who are laid off, retired, or otherwise not currently employed as wage and salary workers. Conceptually, a good case can be made for including retired and laid-off persons, since it can be maintained that benefits paid to them certainly stem from the employment relationship. Moreover, if the number of retired and laid-off workers does not fluctuate wildly from year to year, the absolute figures lend themselves to trend analysis without too much distortion.

A problem does develop, however, when attempts are made to relate data on number of workers covered and on amounts contributed under employee-benefit plans to total labor-force and payroll data for wage and salary workers. Ratios so computed are bound to be overstated since the numerator of the fraction will include persons who are no longer on the payroll and whose contributions, unless paid or shared by employers, bear little relationship to the Nation's current wage and salary bill. These limitations must be kept in mind when using these ratios or indexes of growth. The problem can be expected to grow in dimension as an increasing number of employee-benefit plans make arrangements to continue coverage for retired or laid-off workers.

Health and Welfare Benefits

To what extent do the increases in aggregate benefits under employee-benefit plans represent a liberalization of benefits that enhances the real value or quantity of the protection received? To what extent do they reflect other factors—the growth in the number of employees and their dependents covered by the plans, for example, or the increased cost of providing the same amount of protection or services?

Hospital Benefits

Hospital benefits (including those paid under major medical expense insurance) increased in the aggregate 85 percent from 1954 to 1958. When measured in terms of benefits per

participant, the increase was 47 percent. Of this increase, probably more than half can be attributed to a rise in the cost of hospital care, if the 26-percent increase in hospital-room rates reported in the Bureau of Labor Statistics consumer price index can be considered indicative of hospitalization prices in general. Thus, probably less than one-fourth of the increase in aggregate benefit outlays for hospitalization during the 4-year period can be said to relate to additional services received by insured persons.

An analysis of the data for the 4 years seems to indicate that this increase in protection has been at a steady pace. Benefits expended per participant rose 23 percent from 1956 to 1958 and 19 percent from 1954 to 1956, but the cost of hospital care, as represented by hospital-room rates, also rose more from 1956 to 1958 (14 percent) than in the preceding 2 years (10 percent). The net effect is a real gain of about 9 percent for each period. These measures of growth are rough, since changes in hospital utilization rates—the number of hospital days used per subscriber—during the period studied have not been taken into account.

A real gain in protection is indicated by the extension of maximum duration of stay in hospitals. The Health Insurance Institute survey of 181 insurance companies in 1954 disclosed that 51 percent offered a maximum of 90 days a year and 20 percent offered 120 days or more.⁹ A 1958-59 study of 188 companies indicated that about 32 percent would underwrite 120 days or more and that 18 percent would cover hospitalization up to a year. These data refer to individual as well as group hospital policies offered for sale. A Bureau of Labor Statistics study of 90 hospital plans under collective bargaining shows that between late 1954 and early 1958 about 1 out of 4 plans lengthened the period during which full benefits are available.¹⁰

⁹The Eastern Underwriter, August 21, 1959, page 33.

¹⁰Dorothy Kittner Greene and Harry E. Davis, "Changes in Selected Health and Insurance Plans, 1954 to 1958," *Monthly Labor Review*, November 1958, pages 1243-1249.

This 4-year period also saw a trend toward higher daily allowances for hospital room and board. The 1954 study by the Health Insurance Institute revealed that 72 percent of the companies surveyed offered policies with hospital benefits of \$15 a day or more, about 11 percent offered \$20 a day, and 4 percent \$25 or more. The 1958-59 review of 188 insurance companies indicated that 93 percent offer maximum daily hospital benefits of \$15 or more, 32 percent \$20 a day or more, and 17 percent \$25 or more.

The Bureau of Labor Statistics study of collectively bargained plans shows that 3 out of every 5 plans providing cash room and board benefits raised benefit amounts — most frequently by \$2 a day—between late 1954 and early 1958. According to data gathered by the Institute of Life Insurance, the average daily allowance provided for employees by group hospital plans in force that were underwritten by commercial insurance carriers increased from \$9.17 in 1954 to \$11.01 in 1958.¹¹

It is apparent that these increases in cash allowances for the most part no more than kept pace with the increased cost of hospital care. To the extent, though, that hospital coverage is provided through service benefit plans that compensate hospitals directly for the full costs of specified hospital care, there is no appreciable gap between payments and rising costs. The Bureau of Labor Statistics showed that, during the period 1954-58, six of the 90 collectively bargained plans shifted from a cash basis to a service basis, although a majority (48) still provided cash indemnity.

The increase in allowances for hospital "extras," either fully paid by the plan or coinsured by the employee, parallels increases in the daily allowance for room and board and like them reflects the fact that hospital charges have gone up. The Bureau of Labor Statistics reported that a third of the 90 plans under collective bargaining were revised between 1954 and 1958 to liberalize

ancillary benefits. Under many service plans, the kinds of services made available were expanded. Ten of the 48 plans providing cash benefits for room and board increased the maximum amount payable for hospital "extras."

Surgical and Other Medical Benefits

Surgical and regular medical benefit payments, including those under major medical expense policies, increased in the aggregate 88 percent from 1954 to 1958. In terms of benefits per participant the increase was 39 percent, of which perhaps two-fifths can be attributed to the rise in costs, as represented by physicians' and surgeons' fees in the consumer price index. Thus, only a little more than one-fourth of the 1954-58 increase in aggregate benefit outlays for surgical and other medical care may be due to improvements in the scope and adequacy of the benefits.

There is some indication that this improvement may have been more rapid in the second half than in the first half of the 1954-58 period. Although the cost of surgical and other medical care rose faster from 1956 to 1958 than in the preceding 2 years, the benefits expended per participant increased at an even faster pace. The net effect in terms of real improvement in protection is an estimated increase of 8 percent for the first 2 years and 13 percent for the second 2 years. These gains again are based on the assumption that there was no material change in the volume of sickness for which insured medical attention was furnished.

One major source of the increased protection has been the growth of major medical expense plans providing benefits when the basic medical insurance falls short of adequate protection — during periods of extended illness, for example, or when large expenses are necessary for intricate surgical procedures or private day and night nurses. Another source of increased protection has been the addition under regular medical expense contracts of provisions for physicians' services in the home and office for workers and dependents.

Some general increases have also been recorded in the amounts allowed

for surgical and regular medical benefits, but these changes have been mainly brought about by the need to keep existing benefits abreast of the increased cost of medical care. The insurance industry reports that the average maximum surgical benefit for employees under group surgical expense insurance rose from \$219 in 1954 to \$243 in 1958, or 11 percent.

According to the Bureau of Labor Statistics study of negotiated plans, about 2 out of 5 cash indemnity plans between late 1954 and early 1958 increased the maximum schedule allowance for surgery and the maximum amount payable in nonsurgical cases for all treatments—per year or per disability—by physicians in the home, office, or hospital. Comparatively few cash plans, however, increased the allowance payable for each medical treatment, and there was little change reported in the type or number of services provided by plans on a service basis.

Temporary Disability Benefits

According to the Institute of Life Insurance, the average weekly benefit for all group disability insurance policies in force in 1958 was \$35.39—17.5 percent higher than the 1954 average of \$30.13. Six out of 7 of the collectively bargained plans included in the Bureau of Labor Statistics study showed increases from 1954 to 1958 in weekly payments for non-occupational disabilities—for plans providing uniform sums, by amounts ranging from \$2.50 to \$15, but most frequently by \$5. Since gross average weekly earnings of production workers in manufacturing industries rose 16.2 percent during the 4 years, it appears that increases in benefit amounts have more than kept pace with advancing wage rates.

Another measure of growth is available through the use of the procedures developed by the Division of Program Research in its annual series on income-loss protection against short-term sickness.¹² Relating the amounts paid under employee-benefit plans to the income lost by covered wage and salary

¹¹ Institute of Life Insurance, *Group Insurance and Group Annuity Coverage, 1954 and 1958*.

¹² See Alfred M. Skolnik, "Income-Loss Protection Against Short-Term Sickness: 1948-58," *Social Security Bulletin*, January 1960.

workers gives a rough measurement of the extent to which benefits represent real gains in the scope of protection provided. Use of this method shows that cash sickness benefits paid under private plans (including formal sick-leave plans) replaced 29.3 percent of the gross income loss of workers covered by such plans in 1958 and 26.7 percent in 1954.

This index of growth reflects not only changes in weekly benefit amounts but also changes in maximum duration of benefit and in length of waiting period. Private plans under New York's compulsory disability insurance law, for example, had to assure workers of 26 weeks of benefits in 1958, if they were disabled that long, but in 1954 the statutory requirement was only 13 weeks.

The index also reflects the growing influence of formal sick-leave plans, which by generally providing for 100-percent continuance of pay from the first day of sickness can be expected to replace a greater proportion of lost income than insurance plans. From data collected by the Bureau of Labor Statistics in its Community Wage Surveys,¹³ it is estimated that the number of employees covered by formal sick-leave plans increased 15-20 percent during 1954-58.

Life Insurance

For group life insurance, the most meaningful measure of changes in real protection is found in the face value of the policies. As reported by the Institute of Life Insurance, these amounts increased in the aggregate by 67.0 percent from 1954 to 1958 for all employee policies in force. In terms of the average amount of insurance per employee certificate, the increase was 25.2 percent — from \$3,120 to \$3,905. This increase markedly outstripped the 17.3-percent rise in average annual earnings during the 4 years. The greater part of the gain took place in the second half of this period, during which the average amount of insurance per certificate rose 11.3 percent and average annual earnings 6.9 percent.

¹³ Department of Labor, Bureau of Labor Statistics, *Wages and Related Benefits, 1953-54* and *Wages and Related Benefits, 1957-58* (Bulletins No. 1157 and No. 1224-20), 1954 and 1959.

Negotiated plans studied by the Bureau of Labor Statistics illustrate the advances in this area. More than half the life insurance plans were revised between late 1954 and early 1958. In most cases, the insurance specified under uniform plans was increased by amounts ranging from \$250 to \$4,500, but most frequently by \$500, \$1,000, or \$1,500. Under graduated plans that increased coverage by realigning wage categories, the effects varied for workers in different wage brackets. For workers earning \$4,000 a year, protection was increased in only about a third of the plans revised in this manner. Some of the plans improved coverage by eliminating or revising provisions requiring a reduction in the amount of insurance for workers reaching a specified age.

Recent Trends in Retirement Plans

As would be expected, coverage and contributions under private pension plans did not increase at the same rate in the recession year 1958 as in preceding years. In fact, the 4.4-percent gain in coverage was the smallest since 1950. The 2.2-percent increase in employer-employee contributions was also the smallest for the period (except that for the earlier recession year, 1954). On the other hand, the number of beneficiaries and amount of benefits, representing the fulfillment of earlier obligations, continued to show uninterrupted growth.

Coverage

In 1958 about 800,000 employees were added to the coverage of private pension and deferred profit-sharing plans, bringing the total to an estimated 19 million (table 5). More than three-fourths of those protected under private plans were under non-insured plans, such as "trusteed" funds, multi-employer plans, union plans with no employer participation, pay-as-you-go plans, plans of nonprofit organizations, and deferred profit-sharing plans.¹⁴ The remainder were covered under insured plans

¹⁴ See the *Bulletin* for March 1959, page 8, for a description of these types of plans.

underwritten by private insurance companies. These estimates, of course, exclude employees who have not yet met the age and/or service requirements for participation in the plan.

Since 1950, coverage under noninsured programs has more than doubled, and that under insured plans has increased by about three-fourths. The rise in coverage under insured plans has been accompanied by substantial growth in "deposit administration" plans. These plans provide for maintaining premiums on deposit in an undivided account until an employee retires. At that time the insurance company withdraws an amount sufficient to purchase (at the then guaranteed rates) the life annuity to which the employee is entitled. Under other group annuity plans, premiums are immediately and directly allocated to the purchase of benefits for specific employees. In 1950, such plans accounted for 10 percent of insured coverage; by 1958, the ratio was 30 percent.¹⁵

The coverage estimates for the series have been revised to take more fully into account the number of workers in the railroad industry who are covered by supplementary pension plans. About 3 out of every 10 workers protected by the Railroad Retirement Act are also covered by supplementary railroad pension plans, at least with respect to earnings in excess of the maximum creditable under the act.¹⁶ About one-fifth of the supplementary plans, accounting for 2 out of 5 of the employees covered by these plans, were established before passage of the Federal act in 1937. Other upward revisions in coverage are based on more complete data compiled on multi-employer plans.

The coverage estimates make some allowance for overlap between plans of different types. Many of those covered under trade-union plans, for example, are also members of other plans, especially multi-employer plans. There is also considerable

¹⁵ Institute of Life Insurance, *Life Insurance Fact Book*, 1953 and 1959 editions.

¹⁶ Railroad Retirement Board, *Supplementary Pension Plans in the Railroad Industry*, 1957.

overlap between deferred profit-sharing plans and pension plans. Employees covered under both insured and noninsured plans have been counted under the former category. The total number under noninsured plans is thus somewhat understated.

Estimates of coverage under insured plans are derived from insurance industry reports that include in their totals inactive as well as active "lives." In other words, the reports include retired workers (annuitants) and persons with deferred paid-up annuities who may be unemployed or who may have changed jobs. The coverage estimates have been adjusted to eliminate annuitants, but no attempt has been made to correct the figures for the second group.

The estimates of coverage under noninsured plans are based on various sources, including the annual reports of industrial concerns, union health and welfare funds, and nonprofit organizations. The data usually exclude pensioners and participants no longer employed by the company, though this exclusion is not always possible, especially with respect to former employees who have acquired vested rights to deferred pension benefits.

Employer and Employee Contributions

Almost \$4.7 billion, it is estimated, was contributed in 1958 by employers and employees to finance private retirement plans—approximately \$3,970

million by employers and \$710 million by employees. The proportion contributed by employers has been virtually the same—about 85 percent—from 1950 to 1958. The employers tend to contribute relatively more for the noninsured plans than for insured plans; in 1958 the proportions were 87 percent and 80 percent.

As would be expected from the greater increase in coverage, total contributions for noninsured plans since 1951 have increased much more (93 percent) than those for insured plans (53 percent). The average employer-employee contribution per employee rose for noninsured plans from \$210 in 1951 to \$219 in 1958, and that for insured plans declined from \$375 to \$355.

Contributions under insured plans are on a net basis, with dividends and refunds deducted. Those under noninsured plans are for the most part on a gross basis, and refunds appear as benefit payments. For pay-as-you-go plans, contributions have been assumed to equal benefit payments.

Beneficiaries and Benefits

The number of persons receiving periodic payments from private pension funds at the end of 1958 totaled an estimated 1,410,000. The year's advance of 160,000 was the largest recorded since the series began. The number of beneficiaries under noninsured plans increased 100,000 to a total of 970,000; the number under insured plans went up 60,000 to 440,000. The proportion of benefici-

aries under noninsured plans—about 69 percent—has varied little over the years.

Most but not all current beneficiaries are recipients of benefits under the Federal programs of old-age, survivors, and disability insurance or railroad retirement. An estimated 210,000 had worked in noncovered employment or retired before they met the age and/or work requirements to qualify for old-age retirement under these two Federal programs.¹⁷ Included among the beneficiaries under insured plans are a small but indeterminable number of survivors who are receiving periodic benefits based on the retirement credits of deceased employees. Many of these survivors are probably receiving widow's benefits under a Federal program.

The 1958 increase of \$150 million in benefit payments was unequaled during the period under review except in 1956, when the same advance was registered. Of the total of \$1.3 billion expended from private pension funds in 1958, \$1.0 billion or 77 percent was paid under noninsured plans. This ratio has shown little change since 1950.

The benefits under noninsured plans include (1) refunds of employee contributions to individuals who withdraw from the plans before re-

¹⁷ This figure includes perhaps as many as 35,000 persons under age 65 who were receiving disability insurance benefits under the Federal programs.

Table 5.—Private pension and deferred profit-sharing plans:¹ Estimated coverage, contributions, beneficiaries, benefit payments, and reserves, 1950-58

Year	Coverage, ² end of year (in thousands)			Employer contributions (in millions)			Employee contributions (in millions)			Number of beneficiaries, end of year (in thousands)			Amount of benefit payments (in millions)			Reserves, end of year (in billions)		
	Total	In-sured	Non-in-sured	Total	In-sured	Non-in-sured	Total	In-sured	Non-in-sured	Total	In-sured	Non-in-sured	Total	In-sured	Non-in-sured	Total	In-sured	Non-in-sured
1950	9,800	2,600	7,200	\$1,750	\$720	\$1,030	\$330	\$200	\$130	450	150	300	\$380	\$90	\$290	\$11.7	\$5.6	\$6.1
1951	11,000	2,900	8,100	2,260	820	1,440	380	210	170	540	170	370	460	110	350	14.2	6.6	7.6
1952	11,700	3,200	8,500	2,510	910	1,600	430	240	190	650	200	450	540	130	410	16.9	7.7	9.2
1953	13,200	3,400	9,800	2,930	1,010	1,920	480	260	220	750	230	520	620	150	470	19.8	8.8	11.0
1954	14,200	3,600	10,600	2,930	1,030	1,900	510	270	240	880	270	610	720	170	550	23.1	10.0	13.1
1955	15,400	3,800	11,600	3,190	1,100	2,090	550	280	270	990	300	690	860	200	660	26.5	11.2	15.3
1956	16,800	4,000	12,800	3,490	1,110	2,380	610	290	320	1,110	340	770	1,010	230	780	30.3	12.4	17.9
1957	18,200	4,400	13,800	3,900	1,230	2,670	680	300	380	1,250	380	870	1,150	260	890	34.8	14.0	20.8
1958	19,000	4,500	14,500	3,970	1,270	2,700	710	310	400	1,410	440	970	1,300	300	1,000	39.3	15.5	23.8

¹ Includes pay-as-you-go, multi-employer, and union-administered plans and those of nonprofit organizations and railroad plans supplementing the Federal railroad retirement program. Insured plans are underwritten by insurance companies; noninsured plans are in general funded through trustees.

² Excludes annuitants.

³ Includes refunds to employees and their survivors and lump sums paid under deferred profit-sharing plans.

Source: Social Security Administration, Division of the Actuary.

tirement and before accumulating vested deferred rights, (2) payments of the excess of employee contributions to survivors of pensioners who die before they receive in retirement benefits an amount equal to their contributions, and (3) lump-sum payments made under deferred profit-sharing plans. Because the source of data from which the estimates have been developed does not make it possible to distinguish between these lump-sum benefits and the amounts representing monthly retirement benefits, average monthly or annual retirement benefit amounts cannot be derived.

Changes in existing pension plans in 1958 mainly dealt with improvements in the benefit formula, liberalizations of disability benefits, and increased provisions for vesting. In the automobile and related industries, changes were patterned after the agreement between the United Automobile Workers and the Ford Motor Company. This agreement raised the benefit rate for normal retirement on a gradual basis from \$2.25 for each year of credited service to \$2.50 a year and for disability and early retirement (at the employer's option) from \$4.50 a year to \$5.00. The latter rate reverts to the rate for normal retirement when the beneficiary attains age 65 or becomes eligible for Federal old-age, survivors, and disability insurance benefits. Under the old contract, benefits under the Federal program were deductible from the disability benefit payable by the company. Workers retired before the agreement received a somewhat smaller increase in benefits—to \$2.35 a month for each year of service.

One exception to the trend toward

improved pension benefits was the action taken by the United Mine Workers Anthracite Health and Welfare Fund. As a result of declining tonnage in coal mined, the trustees of the fund were forced in 1958 to reduce monthly pension benefits for 16,000 pensioners from \$50 to \$30. Until 1954 the payment had been \$100 a month.

Vesting provisions that transfer to the employee who is separated before retirement the right to the accrued pension resulting from his employer's contributions were found in an increasing number of pension plans in 1958, according to reports of negotiated settlements. The Bureau of Labor Statistics study of 300 selected pension plans shows that almost 3 out of 5 plans in late 1958 had such provisions.¹⁸ An earlier Bureau study of 300 plans in effect in 1952, including 219 common to both studies, revealed only 25 percent of the plans with vesting provisions.

In a recent study of vesting provisions made by the Bureau of Old-Age and Survivors Insurance,¹⁹ based on a review of various surveys, it is estimated that about half the employees covered by pension plans in 1958 were members of plans that provided for vesting. Studies for 1950-54 showed a range of 13-40 percent in the proportion of employees covered by plans that had vesting provisions. It was also concluded that perhaps as many

¹⁸ Department of Labor, Bureau of Labor Statistics, *Pension Plans Under Collective Bargaining, Late 1958*, Bulletin No. 1259, July 1959, page 4.

¹⁹ Joseph Krislov, *Vesting in Private Pension Plans*, Bureau of Old-Age and Survivors Insurance, Division of Program Analysis (Analytical Note No. 102), January 1960.

as one-fourth of all employees with pension coverage in the late 1950's could obtain vested rights, with no more than 10 years of service, at age 40 or less or regardless of age.

Reserves

At the end of 1958, an estimated \$39.3 billion was accumulated in reserves maintained by insured and noninsured private retirement programs — \$4.5 billion more than in 1957. Although the rate of increase (13 percent) was the lowest since 1950, the increase in absolute dollars equaled that of 1957 and was the highest for any year.

Approximately 39 percent of the 1958 reserves, or \$15.5 billion, was held by insured plans; in 1950 the proportion was 48 percent. This drop, and the corresponding rise in the proportion of reserves accumulated by the noninsured plans, is attributable to the fact that many noninsured plans are relatively new. As they grow older, their assets grow in significance.

The average reserve per employee is much larger under insured plans than under noninsured plans. Two possible reasons are that noninsured plans often operate on less than full actuarial reserves and that the newer plans (with less time to build reserves) are found in the noninsured group. The relative difference is narrowing somewhat. In 1951 the average reserve per employee covered by insured plans was \$2,400 or almost two and one-half times the \$993 average under noninsured plans. In 1958 the average amount under insured plans (\$3,483) was only slightly more than twice that under noninsured plans (\$1,681).

Automatic Cost-of-Living Adjustment of Pensions in Foreign Countries

by DANIEL S. GERIG*

OLD-AGE pensions are lifetime benefits computed according to a specific formula when originally awarded and not ordinarily recomputed during the life of the individual pensioner. Receipt of a specified amount is thus guaranteed to pensioners as long as they live. The real value of the pensions, as reflected in the actual goods and services they enable their recipients to purchase, is, however, subject to change. If the price level rises after pensions are awarded, their real value inevitably shrinks. Whatever degree of adequacy they possessed at the time of their award is thus diminished; if the rise in living costs persists, the adequacy of the pensions on which large numbers of persons must live is progressively and eventually seriously undermined.

The impact of inflation upon the adequacy of existing benefits is a problem in all countries that provide old-age pensions under their social security programs. There are nearly 55 countries that now pay such pensions either through social insurance or a universal pension system or on an income-test basis. In many countries, as in the United States, the aged population is growing rapidly, and more and more persons are becoming pensioners. Dependent as most of these aged are on the pension as their primary source of income, they are particularly vulnerable to price movements that lessen what they can buy with it.

For most countries the first major price rise in the present century was that accompanying World War I. Not many countries, however, had general public pension systems in operation at that time. After the depression of the 1930's, another period of rising prices set in during World War II. The upward trend persisted into the late forties and during much of the

fifties in many countries throughout the world.

Until the end of World War II, practically all countries that had public old-age pension programs endeavored to compensate for the effects of price rises by ad hoc increases in the amounts of existing pensions. Each specific increase was voted by the appropriate legislative body. After the war the majority of countries continued to rely on the same form of legislative action for the adjustment of pensions. These adjustments, although made at irregular intervals, have been numerous. Much of the extremely voluminous legislation enacted in the social security field since 1946 has consisted, in fact, of changes in pension rates made necessary by the persistent rise in prices.

In recent years, however, a gradually increasing number of countries have begun to adopt arrangements under which changes in outstanding pensions are linked by law to changes in some kind of economic index. Pension modifications under these arrangements are put into effect by the administering agency without legislative action, whenever a sufficient change occurs in the relevant index. It is this type of procedure that is characterized as the "automatic" adjustment of pensions.

Summary

There are now nine countries that, under their laws, currently make automatic adjustment of existing old-age pensions to specified economic changes. The first law to embody an automatic adjustment procedure in a national pension program was adopted in Denmark in 1922. Two more laws were enacted in 1946 in Iceland and Luxembourg, and one in France in 1948. The decade of the fifties witnessed the addition of six more nations to the list of those with such legislation: Belgium, Chile, Finland, Israel, the Netherlands, and

Sweden. It will be noted that four of them are Scandinavian countries, which have taken somewhat of a lead in this field. Of the others, all but Israel and Chile are also located in Western Europe. Israel is currently the only non-European country in the group. Chilean legislation providing for automatic adjustments was suspended in 1957 because of the extreme inflation there, but its provisions are included in the analysis.

Three of the countries with automatic adjustment legislation provide for special cost-of-living supplements to old-age pensions. Only the supplements, which are computed separately from the basic pension but are payable along with it, vary with changes in the official index. The remaining countries, in contrast, make the adjustment in the old-age benefit itself.

There is some significant variation in the type of index specified by the laws of the various countries as the basis for pension adjustments. This variation is without doubt a reflection in part of certain differences in policy regarding the types of economic change that should justify a change in pension amounts. It may also be the result in part of technical differences in the statistical series available for use as an index.

Four of the nations providing automatic adjustments link changes in pension rates to changes in some kind of price index. This is a retail price index in two countries, the "national price index" in another, and the "pension price index" in a fourth. Two countries tie pension changes to the movement of what are called cost-of-living indexes. Three countries have used a considerably different procedure, basing their adjustments exclusively on some type of wage index. There are important differences, however, in the kind of index used. One country uses as an index the annual average taxable wages of insured persons, as calcu-

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lated from contributions collected. In another country the index is the average of the wages from which the pensions newly awarded in each year have been computed. The third uses the weighted average index of the hourly wages of adult workers. Changes in these wage indexes naturally parallel to some extent changes in prices—especially where there is a substantial degree of governmental wage control—but wage changes are also, of course, influenced by factors other than price changes.

The frequency of adjustments possible under the various laws, as well as the minimum change in the base index that will produce a change in pension amounts, also differs from country to country. Pension rates undergo alteration in some of the countries whenever a change of at least a specified minimum percentage occurs in the index used. In these countries the indexes are generally prepared and published monthly, and it is therefore possible for pension changes to be made monthly, provided that the index shows an increase or decrease of at least the specified number of points. Of the remaining countries, one provides for quarterly adjustments, two for the possibility of adjustments at 6-month intervals, and two for annual adjustments. In general, the countries that employ a wage index provide for less frequent adjustments than those using a price index.

A few of the laws require pension amounts to be altered whenever there is any change in the relevant index, or a change of at least 1 point. The others specify somewhat larger changes—2 percent, 2½ percent, 3 percent, 5 percent, 10 percent, and 15 percent. It is either stated expressly or is virtually implicit in nearly all the laws that pensions will be reduced if the relevant index declines, as well as increased when it rises.

The laws are also usually explicit about the period of time, if any, that is to elapse between a change in the base index and the effective date of the pension changes. The size of this lag is perhaps determined mainly by technical administrative and statistical considerations in each individual nation, but in some countries other

factors may have entered into the time interval prescribed. The interval most commonly specified is 3 months, but in some countries it is as brief as 1 month. Where adjustments may be made only half yearly or annually, it is, of course, theoretically possible for 5-11 months to elapse between a change in the index of the required number of points and a modification of the pension rates.

So far as the financing of automatic pension increases is concerned, the cost is generally met out of ordinary program revenues rather than from special sources. Such ordinary revenues include contributions of insured persons in all countries, employer contributions in most of them, and Government contributions in a majority. Contributions of insured persons and employers in nearly all the countries concerned are assessed as a percentage of wages, income, or payroll. Some rise in receipts from contributions thus tends to take place automatically if, as often happens, wages and payrolls move upward when prices increase. In certain countries, moreover, the maximum on taxable payrolls is also linked to changes in the wage or price index and fluctuates with changes in that index. Under such an arrangement, some further increase in the income of the pension system may automatically occur simultaneously with an increase in pension amounts.

The remaining revenues required for financing pension adjustments come either from accumulated reserves or, in the last analysis, from specific increases voted by the legislative body in the contribution rates of insured persons, employers, or the Government. In a few countries, especially the Scandinavian countries, where a large part of the cost of all old-age pensions is met out of general Government revenues, the pension adjustments probably nearly always entail additional appropriations by the Government after they are put into effect.

The remainder of this article reviews the automatic adjustment provisions operative in individual countries. The countries are considered in the chronological order in which they adopted the automatic device. The discussion deals almost entirely

with old-age pension provisions, though much the same problems exist and the same procedures are used for other long-term benefits, such as invalidity and survivor pensions. The discussion also deals only with the adjustment of pensions after their award. It does not enter into the equally large and complex problem of benefit formulas relating newly awarded pensions to current price or income levels when, in the coverage and contribution periods during which rights to such pensions were built up, price or income levels had been much lower.

Denmark

The earliest inclusion of an automatic adjustment provision in a general social security law appears to have been in Denmark. An amendment of its pension law in 1922 linked general pensions to changes in the salaries of Government employees. Annual pensions were to be raised by 12 crowns¹ for a couple and 6 crowns for a single pensioner for each annual cost-of-living increase of 54 crowns received by Government employees. Such adjustments in pension rates were made semiannually.

This early provision for adjustment of pensions was repealed in 1927, to be subsequently reinstated in different form in the Danish national insurance act of 1933. The 1933 law contained a provision requiring old-age pensions, as well as other types of social security benefits, to vary automatically with changes in the national price index. This provision has remained in operation without any fundamental modification down to the present time.

A "national pension" is now payable in Denmark to every aged citizen, without regard to contributions paid in the past. The basic amounts of such pensions are different for single persons and couples and for residents of Copenhagen, of towns, and of rural areas; the amount is reduced, however, if pensioners have other income above specified exemptions. Supplements are also payable if the pensioner has a nonpensioned spouse or children, as well as for ad-

¹ One crown now equals \$0.145, but a different ratio existed in 1922.

vanced old age and deferral of pensions. A minimum pension is provided for all aged citizens otherwise disqualified by the income test; it is equal to 6 percent for single persons and 9 percent for aged couples of the current average gross income of breadwinners, as last calculated by the national statistical department.

The existing legislation also provides that, whenever the price index published by the national statistical department for the months of January or July rises or falls by 1 percent from the index for January 1956 (which stood then at 410, with July 1914 as 100), each national old-age pension being paid, as well as supplements and applicable income limits, shall be automatically increased or reduced by 1 percent. For every additional 2-percent change in the index, pensions are increased or reduced by an additional 2 percent. The resulting amount is rounded to the nearest multiple of 12 crowns. The Ministry of Social Affairs is required to publish changes in pension rates resulting from the January index number by March 10, and these changes are put into effect on April 1. Changes occasioned by the July index must be published by September 10 and are put into force on October 1.

The price index used is an index of retail prices that reflects the cost of living of a typical wage-earning family. This index is compiled by the statistical department four times a year on the basis of data collected on such items as the prices of goods and

services, tax rates, and contributions in January, April, July, and October.

The changes in this price index and in the basic amounts of the national pension that have occurred in the postwar period are summarized in table 1. The national pension (excluding supplements) for a single aged person living in Copenhagen rose from 2,388 crowns to 3,660 crowns between April 1946 and April 1959, while in rural areas it rose from 2,100 crowns to 3,216. The rise in the pension of an aged couple was from 3,600 crowns to 5,520 in Copenhagen and from 3,132 crowns to 4,800 in rural areas.

The size of the minimum pensions also changes automatically whenever there is a change in the average income of breadwinners—the basis on which such pensions are computed. Such adjustments may take place on April 1 or October 1, whenever a change of sufficient magnitude occurs. They are rounded to the nearest multiples of 12 crowns for single pensioners and 60 crowns for aged couples. At the end of 1959, minimum pensions amounted to 756 crowns a year for single persons and 1,140 crowns for aged couples.

About 85 percent of the cost of national pensions in Denmark is met from general Government revenues. The remaining cost is financed through a special 1-percent tax on personal net income that is collected with the regular income tax.

Iceland

The social security act adopted in 1946 provided flat non-wage-related pensions, payable to all citizens at age 67, that differed only with the pensioner's marital status and his place of residence (town or country). These pensions were reduced by one-half of any other income in excess of the pension. The 1946 law also provided that there should be paid, in addition to the basic pension, a cost-of-living increment related to the price index. Surcharges varying with the average price index for the preceding year were also to be collected along with regular contributions payable by insured persons, employers, and the Government. Generally similar provisions were retained in new legislation enacted in 1956.

Table 2.—Average price index and amount of basic annual pension, cost-of-living increment, and total pension in Iceland, 1947-59¹

[Amounts in crowns]

Period	Average price index	Basic annual pension	Cost-of-living increment	Total annual pension
January 1947-June 1949	315	1,200	2,580	3,780
July 1949-March 1950	315	1,320	2,388	4,158
April 1950	² 100	4,158	—	4,158
May 1950-June 1950	103	4,158	2,208	4,366
July 1950-December 1960	115	4,158	406	4,564
1951	131	4,080	1,265	5,345
1952	148 ²	4,080	1,980	6,069
1953	157 ³	4,080	2,336	6,416
1954	158 ⁴	4,284	4,488	6,772
1955	162 ⁵	4,284	2,667	6,951
1956	175 ⁶	4,680	3,537	8,217
1957	180 ⁷	4,680	3,775	8,455
January 1958-May 1958	183	4,680	3,884	8,564
June 1958-August 1958	183	4,914	4,079	8,983
September 1958-February 1959	190 ⁸	5,381	4,879	10,260
March 1959-October 1959	² 100	9,955	—	9,955

¹ Amount for a single aged person living in a town. One crown equals \$0.04.

² New index introduced. Index before 1950 revision was 315; before 1959 revision was 185.

All wages and salaries in Iceland, as well as the net income of farmers, are adjusted quarterly, whenever there is a change in the index of prices for consumer goods and services. The same index is used for computing the cost-of-living increments to old-age pensions, and the same procedure is applied.

When old-age pensions first became payable in 1947, the price index stood at 315 and the cost-of-living increment was 2.15 times larger than the basic pension itself. A revised price index was developed in 1950, with March 1950 as 100, and the basic pension was increased to absorb all previous cost-of-living adjustments. By the end of 1958 the 1950 index had again risen, to around 190 points, and the cost-of-living increment to old-age pensions rose in the same degree. On the basis of a family-living survey conducted among wage-earner, salaried-employee, and fisherman families in Reykjavik, the consumer price index was again revised in 1959, with a new base of March 1959 as 100. The basic pension was once again altered to absorb all preceding cost-of-living increments. The changes from 1947 to 1959 in the annual pension for a single aged person living in a town are summarized in table 2.

Pensions in Iceland are financed

Table 1.—Indexes of prices and of basic national pensions in Denmark, 1946-59

Month	Price index (July 1914=100)	Month of change	Index of basic pension amount
January 1946	290	April 1946	100
January 1947	292	April 1947	103
January 1948	300	April 1948	105
January 1950	315	April 1950	108
July 1950	323	October 1950	111
January 1951	346	April 1951	120
July 1951	366	October 1951	128
July 1952	378	October 1952	131
January 1955	388	April 1955	134
July 1955	397	October 1955	136
January 1956	410	April 1956	141
July 1956	419	October 1956	142
January 1957	427	April 1957	145
July 1957	437	October 1957	148
July 1958	440	October 1958	151
January 1959	448	April 1959	153
July 1959	448	October 1959	153

on a pay-as-you-go basis, and no substantial reserves have been accumulated. Contribution rates are fixed to achieve a balance of income and outgo for only 1 year at a time. Pension increases resulting from a rise in the cost of living must thus be financed by a concurrent increase in contributions.

Luxembourg

A law of June 21, 1946, that reinstated social insurance legislation in effect before the "occupation" provided at the same time for automatic adjustment of the basic nongraduated portion of old-age pensions. Whenever the cost-of-living index then in use rose or fell 100 points from the level of 1,500 points (with 1913-14 as 100), all basic pensions were to be automatically increased or decreased in the same proportion—that is, by 6% percent. These adjustments were to become effective the first day of the month following the publication of the index number that occasioned the change.

In May 1948, legislation was enacted that substantially revised the salary scale for Government employees. This legislation also provided that whenever the cost of living, averaged over a 6-month period, rose or fell 5 percent in comparison with the level of January 1, 1948, the salaries as well as the pensions of Government employees were to be automatically raised or reduced 5 percent. A law of April 10, 1951, subsequently provided that the same procedure would be followed in adjusting the pensions of private wage earners to cost-of-living changes occurring after January 1948. Similar provisions were adopted for pensions of private salaried employees and self-employed craftsmen in the same year and for self-employed farmers in 1956.

The new cost-of-living index employed in the automatic adjustment of pensions is prepared by the statistics office of Luxembourg and uses January 1, 1948, as its base. It reflects the average annual consumption pattern of 4-adult families and includes food, clothing, heating and electricity, and miscellaneous components. It is computed from price quotations secured monthly in nine localities. The index has risen 5

points on six separate occasions since January 1948—in August and December 1949, March and July 1951, and January and October 1957.

The Government meets the greater part of the expense resulting from the adjustment of pensions to the cost of living. It also pays about half the cost of basic pensions; employee and employer contributions cover the remaining cost of basic pensions, as well as the entire cost of the increments to pensions, which are graduated with wages.

France

A law adopted in August 1948 amended French postwar social insurance legislation for nonagricultural employees to provide for the adjustment of old-age pensions after they have been awarded. The adjustments authorized differ somewhat from those in most other countries, however, in that they are linked to changes in average covered wages rather than directly to changes in prices. Specifically, the law requires the Minister of Labor and the Minister of Finance and Economic Affairs, after consulting the Superior Social Security Council, to issue an order each year before April 1 (and with effect from that date) that fixes the percentage adjustment to be made in old-age pensions already being paid. It specifies that these adjustments shall be based on the ratio between the average covered wages of insured persons during the past year and those in the immediately preceding year, as calculated from total contributions collected and the total number of persons insured.

Pensions have been increased almost annually, ordinarily as of April 1 of each year, as a result of these provisions. The percentage increases put into effect during the past 11 years are shown below.

Year	Percent
1949	15
1950	15
1951	16
1952	10
1953	20
1954	No change
1955	9
1956	8½
1957	12
1958	7½
1959	13½

There are no special financial arrangements for covering the cost of pension increases. The added expense that they occasion is met from the regular revenues of the social insurance program, which consist of an employee contribution of 6 percent of wages and an employer contribution of 10 percent of payroll for pension and sickness insurance combined.

Sweden

The system of universal national pensions that was established in 1946 was modified in June 1950 by the addition of cost-of-living increments linked with price changes. The provisions currently governing these increments are contained in subsequent amendments that became effective at the start of 1956.

Every Swedish citizen receives a national pension at age 67, without regard to any past contributions. Before 1956, this pension was fixed at 1,000 crowns a year for single persons and 1,600 crowns for aged couples.² The 1950 legislation provided that, for each quarterly change of 5 points in the "pension price index," one 5-percent cost-of-living increment would be added to or subtracted from the basic pension. Each increment thus amounted to 50 crowns a year for single persons and 80 crowns for aged couples.

The first of these quarterly increments became payable in November 1950 when the pension price index (with June 1946 as 100) reached 108. Three more increments were added in May 1951, when the index jumped to 122. Others went into effect in August 1951 (index, 127), November 1951 (index, 130), May 1952 (index, 135), and August 1954 (index, 140). The index did not go above 144 during 1955, so that a total of eight increments continued to be paid throughout that year, equal to 40 percent of the basic pension.

The amendments that took effect at the start of 1956 raised basic national pensions to 1,700 crowns and 2,720 crowns a year, retained the 50- and 80-crown increments but provided for their payment or deduction for any monthly change of 3 points in the pension price index, and

² One crown equals \$0.193.

shifted the base of the index from June 1946 to December 1951. The latter month was selected as the base for technical reasons. It was desired to retain the same increment amounts used previously, since the complex punchcard machinery used in administering pension payments was keyed to it. Payment of increments was therefore made contingent on only a 3-point change in the pension price index, and a base for computing it had to be found that would keep increment payments on a level that, in relation to the new basic amounts, would correspond to the previous ratio. December 1951 was found suitable for this purpose.

Three 3-percent increments to the new basic pension amounts were immediately payable in January 1956, since the index with its later base then stood at 110. Additional increments became payable in May 1956 (index, 112), February 1957 (index, 115), October 1957 (index, 118), April 1958 (index, 121), and, most recently, July 1958 (index, 124). By January 1960 the index had risen only to 125. Thus, a total of eight increments are payable at present, amounting to 400 crowns a year for single persons and 640 crowns for aged couples or about 24 percent of their basic pensions. During this period, two "standard supplements" (reflecting the general rise in national income and production) were also granted to all pensioners, amounting to 350 crowns a year for single persons and 560 crowns for couples. The total pension thus currently payable to every aged person (excluding means-test housing supplements and special disability supplements) is 2,450 crowns a year for single persons and 3,920 crowns for couples.

The "pension price index" with which cost-of-living increments are linked is based essentially on changes since December 1951 in the Swedish general consumer price index, but with a 3-month lag. The consumer price index, with 1949 as 100, is prepared monthly by the Social Welfare Board and is based on prices of 177 goods and services collected in 70 localities. Compilation of this index takes about a month, and the pension price index based on it requires Government approval. Because of the

time involved, the derived index computed on the basis of the consumer index for any given month is referred to as the "pension price index" for the month that follows 3 months later.

About one-fifth of the cost of national pensions, including cost-of-living increments, is financed from a special 4-percent earmarked pension tax on income, payable with his regular income tax by every citizen aged 18-66. The balance is financed almost entirely from general revenues, mainly by the National Government. There is no employer contribution.

A law adopted in May 1959 establishes a comprehensive new system of supplementary pensions in Sweden.³ These will be payable in addition to universal flat national pensions and will be graduated according to the previous earnings level of each worker and his years of coverage. This new system is to be financed exclusively by employers (except for contributions on their own behalf by the self-employed). The minimum and maximum amounts of earnings considered for both contribution and benefit purposes, as well as wage credits recorded for each year, are to be adjusted automatically with changes in the pension price index.

Chile

The social insurance law for wage earners passed in July 1952 introduced a policy of automatic adjustment of outstanding pensions in Chile. Somewhat similar arrangements were embodied in the pension legislation for salaried employees and seamen adopted during the same year. These provisions operated for several years, but legislation for stabilizing prices and wages in 1957 abolished the practice of making automatic adjustments.

The 1952 legislation had provided that, whenever the average wages on which the pensions of new beneficiaries were based rose in a year more than 15 percent from the corresponding average for the year in which pensions were last adjusted, all existing pensions were to be adjusted by the same percentage increase on

³ See "New Graduated Pension System in Sweden," *Social Security Bulletin*, November 1959.

January 1 of the following year. Because of the sizable increases in prices and wages taking place in Chile in recent years, the application of the automatic provision led to large adjustments. On January 1, 1956, for example, all pensions were adjusted upward in conformity with the provision by 65.8 percent. On January 1, 1957, they were increased by a further 63.6 percent.

It was presumably the magnitude of these increases that eventually occasioned the suspension of the automatic provisions in Chile. After their suspension, however, several specific increases in pensions were voted by Congress in the effort to compensate pensioners for the continuing rise in living costs.

Israel

The national insurance law of 1953, which introduced contributory old-age and survivors insurance in Israel, established a system of flat-rate pensions. The basic old-age pension is fixed at 15 Israeli pounds a month for a single person; it is increased to £22½ if the pensioner has one dependent, £28½ if he has two, and £34 if he has three or more dependents.⁴ There is added, however, to the basic amount paid every pensioner a supplementary cost-of-living allowance. This allowance has become substantially larger than the basic pension itself.

The amount of the cost-of-living allowance for pensioners varies automatically with changes in the cost-of-living index that is used for the payment of similar allowances to Government employees. Under the specific formula prescribed for computation of allowances for pensioners, the allowance is equal to $\frac{1}{100}$ of the product of the cost-of-living index and the relevant basic pension, minus the basic pension.

Before 1959, changes in the cost-of-living allowance for Government employees were made semiannually whenever the cost-of-living index showed a change of 8 points or more. The index in use when old-age pensions first became payable in April 1957 had as its base September 1951 and it stood at 249 when pensions

⁴ The pound equals \$0.555.

were first paid. The initial supplements were thus 1.49 times the basic pension. The supplements were increased further in July 1957, when the index rose to 258, and again in July 1958, when it stood at 267.

A new index was introduced for the cost-of-living allowances paid to Government employees on January 1, 1959. These allowances are now based on the retail price index published monthly by the central bureau of statistics (with January 1959 as 100), which reflects the retail prices of about 2,000 items contained in the family budget of an average worker's family of four persons. The allowances will change henceforth whenever the new index varies by at least 2 percent. The same procedures are followed with respect to cost-of-living supplements to old-age pensions.

The cost of pension supplements is met from the ordinary revenues of the national insurance system. These revenues are derived from contributions by insured persons and employers and from interest on the invested reserve. Contribution rates, it should be noted, are not on a flat-rate basis as are pensions, but instead are specified percentages of earnings and payrolls. A rise in the cost of living, if accompanied by a somewhat comparable rise in earnings and payrolls, may thus result in a concurrent increase in contribution income. Moreover, most of the reserves of the program are lent to the Israeli treasury; the Government has contracted to repay the amount borrowed, plus an amount equal to the percentage rise in the cost-of-living index that has occurred since the loan was made. Thus, a rise in pension outlays resulting from automatic adjustment of pensions is accompanied by an automatic increase in the value of the invested assets of the program. Interest rates on the invested reserve are also linked with the cost-of-living index.

Belgium

The pension law for wage earners passed in May 1955 introduced in Belgium the practice of automatic adjustments of existing pensions to price changes. Similar provisions were included in the pension laws for salaried employees and self-employed

persons enacted in July 1957 and June 1956 and also in the special pension programs for miners and seamen. The 1955 law required all pensions to be automatically increased or decreased by 5 percent if the retail price index rose to 440 points or fell below 400 points. Further increases or decreases of 5 percent were to be made whenever the index deviated by an additional 5 percent from the figure taken as a basis for the last previous adjustment.

These provisions were amended on August 9, 1958, to tie the adjustments to a revised price index using a base of 1953 as 100. The amended legislation provides that pension amounts are to be increased by 5 percent when the index first reaches 105, by a further 2½ percent when it reaches 107.62, and by an additional 2½ percent for each further 2½-percent rise in the index. Provision is similarly made for reduction of all pensions if the index declines 2½ percent from its previous level. Pension adjustments are made as of the first day of the second month following that in which the index reaches the specified level.

The first automatic adjustment of pensions under the Belgian program took effect on February 1, 1957, and consisted of a 5-percent increase. The second increase, one of 2½ percent, occurred on September 1, 1958. The third and most recent increase, also of 2½ percent, became effective on December 1, 1959, and resulted from the fact that the retail price index for October 1959 was 2½ percent higher than the index on which the September 1958 adjustment had been based.

The price index now being used is based on the retail prices of 35 foods, 25 nonfood products, and five services. It is derived from quotations secured from more than 3,500 stores in 62 localities throughout the country. Rents are not covered.

Pensions, including the increases resulting from price changes, are financed from employee and employer contributions and an annual lump-sum Government subsidy paid according to a gradually rising scale. Employee and employer contributions under the wage earners' program have been payable at the rate of 4½

percent of wages each. Since at least a part of wages in the majority of Belgian industries are themselves linked to retail price changes, some increase in contribution income tends to occur automatically with any rise in prices. The maximum on salaries applied in the computation of contributions under the salaried employees' program also varies automatically with changes in the retail price index. Finally, the law makes the scheduled Government subsidies to the program subject to adjustment to changes in the retail price index in the same manner as pensions.

The Netherlands

The next law to embody an adjustment principle was the Netherlands general old-age act of May 31, 1956, which set up a new program of non-wage-related pensions payable to all aged residents. This act provides that the specified pension amounts shall, in principle, be increased or decreased automatically in proportion to any increase or decrease in the wage index. The adjustment is not completely automatic, however, since some degree of administrative discretion is allowed.

Specifically, the rates of all existing as well as new pensions are to be altered whenever the wage index changes during a period of 6 consecutive months by an average of at least 3 percent. Pension amounts are to be increased or decreased by the percentage difference between the current wage index and the earlier index, except that the new amounts are to be rounded to the next highest multiple of 6 guilders.⁵ If a revision of pensions takes the form of an increase, the revision takes effect on the first day of the month following the 6-month period in question. If a decrease is involved, it takes effect on either the same day or later, as determined by decree.

The law authorizes pension rates to be changed before a 6-month period has elapsed or before a 3-percent shift in the wage index occurs if there is a special reason for the change. It also provides that when an adjustment of pensions would produce a change in the real net income of

⁵ One guilder equals \$0.263.

pensioners, and this change is not the same or approximately the same for the employed persons covered by the wage index, the revision may be canceled or modified in such a way as to moderate the change in the real net income of pensioners.

The law itself stipulates that the index used for the purpose of pension adjustments shall be a weighted average index of the hourly wages of adult workers. The specific index currently used is a monthly index of the hourly wages of adult male manual employees in industry, transportation, and agriculture, as computed by the central statistical office (with June 1947 as 100). When this index was selected, it was believed to be the best and most comprehensive one available for the purpose. The intention is to develop eventually a new wage index that will be more suitable.

The pension amounts specified in the original law were 804 guilders a year for a single person and 1,338 guilders for a married pensioner. These amounts were selected as of March 31, 1955, when the wage index stood at 152. From that date to June 30, 1956, the index rose to 159, or 4.6 percent, so that when pensions first became payable at the start of 1957 they were initially fixed at 846 guilders for a single person and 1,404 guilders for a couple. Since the index had risen further between June 30 and December 31, 1956, to 162, however, pensions during the first half of 1957 were later raised retroactively to 858 and 1,428 guilders.

The wage index rose once again, from 162 to 174, during the first 6 months of 1957. A part of this rise, however, was the result of a compulsory wage increase granted to all workers at the beginning of 1957 as compensation for the newly imposed old-age tax of 6.75 percent. For this reason, pension rates were not adjusted by the full amount of the 7.4-percent increase in the wage index but instead were set at 876 and 1,452 guilders beginning July 1, 1957.

The wage index of August 31, 1957, registered a further substantial advance, to 181—again the result of a special circumstance. This was another compulsory wage increase to compensate for a general rise in rents connected with the gradual unfreeze-

ing of postwar rent controls. Since it was found after investigation that the rent increase impinged more heavily on the budgets of aged persons than on those of wage earners generally, pension amounts were increased as of August 1, 1957, by proportionately more than the rise in the wage index—to 936 and 1,524 guilders. The next and most recent increase in pension amounts took effect November 1, 1958, after the wage index had risen 3.9 percent and stood at 188 for 6 consecutive months. The current pension rates, fixed at that time, are 972 and 1,584 guilders a year.

The cost of old-age pensions in the Netherlands, including that of any increases resulting from changes in the wage index, is financed mainly from a special 6.75-percent personal old-age tax on the net taxable income of every resident. A ceiling is placed on the annual income on which the tax is payable, but the law provides for this maximum also to vary with changes in the wage index. Its level is to change automatically as of January 1 of any year, whenever the wage index for the preceding July has varied by at least 3 percent from the index on which the previous revision of the maximum had been based.

The maximum on net income for purposes of the old-age tax was originally fixed in the law at 6,000 guilders a year, but, when the program actually started at the beginning of 1957, it became 6,900 guilders as a result of the rise in the wage index. It was raised again to 7,450 guilders on January 1, 1959, because of the changes in the wage index occurring during 1958. No change has been made in the 6.75-percent contribution rate since the start of the program, despite several increases in pension rates. It appears, therefore, that the rise in contribution revenue resulting from a general increase in income as well as from the higher ceiling has in general been sufficient thus far to finance the higher costs occasioned by the pension adjustments.

Finland

At the same time that a new national pensions act was enacted in Finland in June 1956, a companion

law was adopted that provided for linking both the universal basic pensions and supplementary assistance pensions included in the main law with changes in the cost of living. Under this law, pensions are increased or reduced to the extent to which the cost of living at the time of payment has risen or fallen in comparison with the cost of living at the time when the pension rates were last fixed. The same adjustment to cost-of-living changes is made in the income limits applied in determining eligibility for the assistance part of the pension. The above adjustments are now being made whenever a change of at least 10 percent occurs in the Finnish cost-of-living index.

Other Countries

There are some countries in which the social security legislation implies with varying degrees of explicitness that the rates of existing pensions and other social security benefits are to be modified when there is a change in economic conditions, although provision is not made for automatic changes in benefit rates.

The British national insurance act of 1946, for example, requires the Ministry of Pensions and National Insurance to review benefit rates after each quinquennial actuarial report in relation to the current circumstances of insured persons. Consideration must be given, in particular, to expenditures required for the preservation of health and working capacity, to changes in the circumstances of beneficiaries since the rates were last adjusted, and to the likelihood of future changes. A report must be submitted to Parliament on completion of the review.

The social insurance law enacted in Greece in 1951 provides that, in the event of significant variation in the general cost-of-living index, all pensions being paid may be changed by a percentage decided upon by the governing body of the Social Insurance Institution. Its decision, however, is subject to the approval of the Minister of Labor.

Two 1957 laws effecting extensive changes in pension insurance for wage earners and salaried employees in the Federal Republic of Germany

(Continued on page 24)

Notes and Brief Reports

Proposed Social Security Budget, 1960-61*

On January 18, 1960, President Eisenhower transmitted to Congress the Budget of the United States for the fiscal year ending June 30, 1961. The pattern of the past decade or more is continued in the \$79.4 billion budget. The largest part—\$47.5 billion, about 60 percent—is devoted to programs of major national security and mutual assistance, which include the military functions of the Department of Defense, atomic energy activities, stockpiling and expansion of defense production, military assistance, and economic and technical assistance.

Labor and welfare, the functional classification of the budget that includes the administrative budget items of the Social Security Administration, calls for 5.7 percent of the total administrative budget. In addition to public assistance, which accounts for nearly half this proportion, the labor and welfare function includes the promotion of education, of public health, and of science, research, libraries, and museums; grants for administration of the employment service and unemployment insurance programs; correctional and penal institutions; and such other welfare services as the school lunch and milk programs. Appropriation proposals for labor and welfare rank fifth in order of magnitude—after interest (largely on the public debt), 12.0 percent; agriculture and agricultural resources, 7.0 percent; and veterans' services and benefits, 6.9 percent.

Discussing these programs in his Budget Message, the President said: "Budget expenditures for labor and welfare programs in the fiscal year 1961 are estimated to reach an all-time high of \$4.6 billion, of which three-fourths will take the form of grants to States and localities. . . . Budget expenditures for labor and welfare programs will be more than double the amount a decade ago.

* Prepared by Sophie R. Dales, Division of Program Research, Office of the Commissioner.

During the same period, trust fund expenditures for these programs [which are not included in the \$79.4 billion of the administrative budget], including social security and unemployment compensation, will have quintupled to an estimated \$16.2 billion in 1961."

Proposed appropriations for the Social Security Administration for the coming fiscal year total \$2.3 billion on the basis of the cash consolidated budget and \$2.1 billion on the basis of the administrative budget. Details of the proposals, with comparable figures for 1958-59 and 1959-60, are set forth in table 1.

Appropriations for the seven regular grant programs of the Social Security Administration are budgeted at \$2,131.5 million for 1960-61. This sum represents 99.7 percent of the general funds requested under the administrative budget and 90.9 percent of the requests under the cash consolidated budget. The remainder consists mainly of the salaries and operating expenses of the Office of the Commissioner of Social Security and of the four Bureaus.

Total Federal, State, and local ex-

penditures for public assistance payments and administration in 1960-61 are estimated at \$3,643.4 million, of which \$2,100.5 million represents the Federal share. The appropriation request is for only \$2,083.0 million because the States will have available for expenditure \$17.5 million from earlier years in the form of the Federal share of collections and adjustments.¹ Total Federal expenditures are estimated at \$1.1 billion for old-age assistance payments, \$638.7 million for aid to dependent children, \$47.4 million for aid to the blind, and \$165.3 million for aid to the permanently and totally disabled, plus \$139 million for State and local administration. The total Federal share of public assistance costs is 2.8 percent higher than the \$2,043.5 million (including a supplemental appropriation request of \$10 million) appropriated

¹ These public assistance balances available to the Federal Government fluctuate widely from year to year. They have ranged from more than \$50 million to less than the \$17.5 million estimated for 1960-61. Although their size in any given year is fortuitous, for that year their size affects the size of the appropriation proposal. For public assistance, therefore, and especially for the individual programs, expenditures data mirror program development more closely than do appropriation data.

Table 1.—*Appropriations¹ budgeted for Social Security Administration programs, fiscal years 1958-59, 1959-60, and 1960-61*

[In thousands]

Bureau, item, and source of appropriation	1958-59, enacted	1959-60, enacted ²	1960-61, proposed
Total, cash consolidated budget	\$2,183,548	\$2,290,387	\$2,344,907
General funds, total (administrative budget)	2,007,790	2,095,182	2,137,796
Bureau of Public Assistance	1,980,126	2,045,845	2,085,656
Grants to States for public assistance	1,957,960	2,043,500	2,083,000
Salaries and expenses	2,166	2,345	2,656
Children's Bureau	47,322	49,000	51,024
Grants to States for maternal and child health and child welfare	45,000	46,500	48,500
White House Conference on Children and Youth	150	200	150
Salaries and expenses	2,172	2,300	2,374
Office of the Commissioner		342	337
Salaries and expenses ³		342	337
Cooperative research or demonstration projects in social security, total ⁴			390
			726
Trust ⁵ and public enterprise ⁶ funds			
Bureau of Old-Age and Survivors Insurance	172,609	191,876	203,482
Limitation on salaries and expenses	171,221	191,600	203,200
Limitation on construction	1,210		
Reimbursement, Office of the Commissioner, salaries and expenses		268	276
Bureau of Federal Credit Unions, operating fund	3,059	3,329	3,719

¹ New obligatory authority.

² Includes \$10 million in public assistance grants proposed for later transmission under existing legislation.

³ Excludes amounts reimbursed from the old-age and survivors insurance and disability insurance trust funds, which are shown below.

⁴ Includes \$26 million under a special foreign

currency program.

⁵ Old-age and survivors insurance trust fund with subsequent reimbursement from disability insurance trust fund.

⁶ Funds derived from the operations of the Bureau of Federal Credit Unions.

Source: *The Budget of the United States Government for the Fiscal Year Ending June 30, 1961*, 1960.

for 1959-60, and the current appropriation request is 1.9 percent above it. This anticipated rise is accounted for by an estimated increase in the average monthly payments per recipient under all four programs, a larger number of recipients in all programs except old-age assistance, and an increase in the costs of State and local administration. The decrease among recipients of old-age assistance reflects the continuing growth in the number of aged persons who receive old-age and survivors insurance benefits.

In his Message the President contrasted the 1960-61 Federal share "for payments, made to an estimated monthly average of 5.9 million beneficiaries, [which] will total an estimated \$2.1 billion, or about 58 percent of the total Federal-State-local public assistance expenditure" with "Federal expenditures of \$1.1 billion, representing a Federal share of 52 percent, for payments to 4.9 million individuals in 1950." He stated: "Public assistance has long been recognized as primarily a responsibility of the State and local governments, because need for these payments in individual cases can best be determined at the local level. I am particularly concerned about the growing Federal share, especially because it tends to weaken this sense of State and local responsibility."

The President also called attention to the "large gaps in our knowledge of the causes of dependency and of the best ways to alleviate or prevent it" and recommended "appropriations to initiate a program of research and demonstration projects designed to identify and alleviate these causes." The appropriation request is for \$700,000 in grants to States and to public and nonprofit organizations and for contracts or jointly financed cooperative arrangements. The original authorization for these research or demonstration projects was incorporated in the 1956 amendments to the Social Security Act. No funds were appropriated for the purpose at that time or in response to the four

budgetary requests for these projects made since then.

A second program of cooperative research or demonstration projects in social security is being proposed for 1960-61, in addition to the \$700,000 mentioned above. Under a special foreign currency program, \$25,650 is requested to finance (1) a research project in social welfare in six foreign countries to evaluate the technical training and experience obtained through exchange programs and (2) a study of the interrelationships of social insurance systems and social service programs in Brazil.

Proposed grants to the States under the three continuing Children's Bureau programs amount to \$48.5 million, 4.3 percent higher than the estimate for the current fiscal year. Of this total, \$18.2 million is requested for maternal and child health services, including \$1.0 million earmarked for special projects for mentally retarded children—a program initiated under the Appropriation Act of 1957; \$16.7 million is requested for services to crippled children; and \$13.7 million for child welfare services. Originally, all three programs were pointed specifically toward improving services in rural areas. The 1958 amendments to the Social Security Act eliminated the reference to rural areas and other areas of special need from the child welfare provisions of the Act, thus making Federal funds for these services available to urban children on the same basis as for rural children.

Benefit payments from the old-age and survivors insurance and disability insurance trust funds are not subject to congressional appropriation. The Social Security Act sets forth the conditions of eligibility, and all qualified applicants are paid benefits according to the specifications in the Act. Administrative expenses, including those for construction of a headquarters building in Baltimore for the Bureau of Old-Age and Survivors Insurance, are subject to congressional approval in the form of annual overall limitations on expenditures,

which are, in effect, appropriations from the trust funds.²

For 1960-61 the proposed limitation on salaries and expenses for the Bureau of Old-Age and Survivors Insurance is \$203.2 million, compared with \$191.6 million for the current fiscal year and \$171.2 million for 1958-59. An additional \$282,000 is proposed for reimbursement from the trust funds of salaries and expenses of the Office of the Commissioner of Social Security; this amount is over and above the appropriation requested for the Commissioner's Office from general funds. No funds in addition to the \$32.2 million previously authorized to be expended from the trust funds for construction of the Bureau's headquarters building—now practically completed—are expected to be required. Although some of the final payments may extend into the next fiscal year, the item does not appear among the budgetary requests for 1960-61.

For 1960-61, \$3.7 million is budgeted for the activities of the Bureau of Federal Credit Unions. Operating funds for this Bureau are derived from the fees it charges for services performed. These services include chartering new Federal credit unions, supervising established Federal credit unions, and making periodic examinations of their financial condition and operating practices. The Bureau's income and outgo have been budgeted as a public enterprise fund since 1953. Expenditures of all Federal Government public enterprise funds are subject to the approval of the Bureau of the Budget; their operations are included in the Government's cash consolidated budget, as are the operations of all trust funds and other special funds.

² The 1956 amendments to the Social Security Act, which established the disability insurance trust fund, provide for disbursement of administrative expenses for the entire old-age, survivors, and disability insurance program from the old-age and survivors insurance trust fund and for subsequent reimbursement to that fund from the disability insurance trust fund of the pro rata share of these costs.

Current Operating Statistics

Table 1.—Selected social insurance and related programs, by specified period, 1940-59
 [In thousands; data corrected to Feb. 5, 1960]

Year and month	Total	Retirement, disability, and survivor insurance										Unemployment insurance							
		Monthly retirement and disability benefits ¹				Survivor benefits						Temporary disability benefits under Railroad Unemployment Insurance Act ⁹	State laws ¹⁰	Veterans' legislation ¹¹	Railroad Unemployment Insurance Act ⁹				
		Social Security Act		Railroad Retirement Act		Civil Service Commission ²		Veterans Administration ³		Monthly									
		Social Security Act ⁴	Railroad Retirement Act ⁵	Civil Service Commission ²	Veterans Administration ³	Social Security Act ⁴	Railroad Retirement Act ⁵	Civil Service Commission ²	Veterans Administration ³	Social Security Act	Other ⁸								
Number of beneficiaries																			
1958																			
December	(12)	485.2	323.2	2,898.3	(12)	236.8	132.5	1,193.3	(12)	13.3	36.0	2,175.8	29.8	129.4					
1959																			
January	9,509.5	485.0	324.8	2,899.4	3,056.3	236.1	133.6	(12)	109.6	13.4	36.7	2,612.5	33.0	139.9					
February	9,597.9	489.0	326.9	2,900.4	3,076.9	238.2	135.0	(12)	61.3	15.3	27.0	2,588.4	31.5	103.8					
March	9,723.6	493.5	329.0	2,901.2	3,103.8	239.1	136.4	1,203.9	72.7	15.9	25.8	2,356.1	25.9	83.4					
April	9,833.5	496.8	331.2	2,912.3	3,133.9	240.4	137.9	(12)	71.9	17.7	24.4	2,028.1	19.3	68.7					
May	9,910.3	498.5	333.0	2,923.7	3,157.4	240.7	139.2	(12)	65.6	15.3	20.2	1,588.1	12.7	42.9					
June	9,997.9	501.0	335.9	2,934.2	3,183.5	242.7	140.6	1,210.4	65.6	16.3	22.2	1,305.3	10.6	40.7					
July	10,083.1	504.4	338.2	2,943.3	3,205.1	242.0	137.6	(12)	58.5	14.3	24.8	1,192.4	10.5	40.9					
August	10,165.9	508.6	340.6	2,950.1	3,229.9	242.8	138.7	(12)	68.5	13.4	31.1	1,170.6	10.0	74.1					
September	10,236.2	514.0	342.9	2,954.5	3,249.9	243.5	139.7	(12)	63.8	13.0	34.8	1,162.9	8.2	85.5					
October	10,303.1	518.2	345.3	2,962.9	3,273.0	243.9	140.7	(12)	65.5	15.3	33.0	1,111.9	4.1	96.0					
November	10,353.5	521.9	347.6	2,968.0	3,290.8	245.3	141.6	(12)	57.2	13.1	32.2	1,354.9	3.9	90.3					
December	10,392.8	522.8	349.9	2,972.1	3,311.1	245.9	142.5	(12)	62.2	15.1	36.1	1,626.2	4.2	83.4					
Amount of benefits ¹⁴																			
1940	\$1,183,462	\$17,150	\$114,166	\$62,019	\$317,851	\$6,371	\$1,448	-----	\$105,696	\$11,833	\$12,267	-----	\$518,700	\$15,961					
1941	1,079,648	51,169	119,912	64,933	320,561	1,559	-----	111,799	13,270	13,943	-----	344,321	14,537						
1942	1,124,351	76,147	122,806	68,115	325,265	39,523	1,603	111,193	15,005	14,342	-----	344,084	6,268						
1943	911,696	92,943	125,795	72,961	331,350	55,182	1,704	116,133	17,843	17,255	-----	79,643	917						
1944	1,104,638	113,487	120,707	77,193	456,279	73,451	1,765	144,302	22,034	19,238	-----	62,385	\$4,215	582					
1945	2,047,025	148,107	137,140	83,874	697,830	99,651	1,772	254,238	26,127	23,431	-----	445,866	126,630	2,359					
1946	5,135,413	222,320	149,188	94,585	1,268,984	127,933	1,817	333,640	27,851	30,610	-----	1,094,850	1,743,718	39,917					
1947	4,658,540	287,554	177,053	106,876	1,676,029	149,179	19,283	382,515	29,460	33,115	\$11,368	776,165	970,542	39,401					
1948	4,454,705	352,022	208,642	132,882	1,711,182	171,837	36,011	\$918	413,912	32,315	32,140	30,843	793,265	510,167	28,599				
1949	5,613,108	437,420	240,893	158,973	1,692,215	196,586	39,257	4,317	477,406	33,158	31,771	30,103	1,737,279	430,194	103,596				
1950	5,196,761	514,240	240,787	175,787	1,732,208	276,945	43,884	49,409	411,579	32,740	33,578	28,099	1,373,426	34,653	59,804				
1951	5,803,855	1,321,061	268,733	196,529	1,647,938	506,803	49,527	14,014	519,398	57,337	33,356	26,297	840,411	2,234	20,217				
1952	6,285,237	1,539,327	361,200	225,120	1,722,225	591,504	74,085	19,986	572,983	63,298	37,251	34,689	998,237	3,539	41,793				
1953	7,353,396	2,175,311	374,112	269,300	1,840,437	743,536	83,319	27,325	613,475	87,451	43,377	45,150	962,221	41,698	46,684				
1954	9,455,374	2,697,982	428,900	298,128	1,921,380	879,952	93,201	32,530	628,801	92,229	41,480	49,173	2,026,866	107,666	157,088				
1955	10,275,552	3,747,742	438,970	355,876	2,057,515	1,107,541	121,847	39,362	688,426	112,871	42,233	51,945	1,350,268	87,672	93,284				
1956	11,193,067	4,361,231	400,647	401,701	1,798	1,244,073	133,171	49,675	699,204	109,304	41,895	49,538	1,380,726	60,917	70,443				
1957	13,560,263	5,744,490	538,501	474,841	2,180,509	1,520,749	143,826	58,265	748,660	138,785	47,278	51,292	1,766,445	53,087	93,535				
1958	17,512,022	6,722,871	570,741	561,968	2,382,215	1,720,146	153,947	74,185	794,253	132,906	56,043	51,920	3,979,946	82,035	228,824				
1958	December	(12)	47,330	50,839	201,017	(12)	12,818	7,309	67,250	(12)	5,092	5,424	295,602	3,311	19,755				
1959	January	1,546,528	603,041	48,050	51,000	205,188	156,709	13,373	7,308	67,300	22,409	4,583	4,979	338,757	3,486	20,345			
February	1,501,047	610,445	48,532	51,421	198,109	158,212	13,553	7,444	67,582	12,643	5,441	3,517	307,403	2,903	13,752				
March	1,519,454	620,079	49,030	52,193	202,964	160,103	13,626	7,588	67,851	15,015	5,876	3,513	306,451	2,688	12,477				
April	1,484,747	628,174	49,518	52,415	206,796	162,046	13,783	7,643	68,519	14,955	6,627	3,203	259,950	2,019	9,059				
May	1,420,158	633,673	49,761	52,865	206,287	163,626	13,826	7,730	68,851	13,646	5,675	4,221	190,106	1,250	8,641				
June	1,425,035	640,167	55,192	53,520	207,191	165,378	13,845	7,798	68,800	13,676	6,173	7,153	162,326	1,114	21,202				
July	1,419,340	646,819	56,237	53,377	207,399	166,893	13,844	7,827	68,447	12,225	5,039	5,760	154,918	1,148	18,918				
August	1,425,819	653,399	55,529	54,071	206,062	168,648	14,435	7,945	68,229	14,422	5,073	7,418	142,284	990	27,314				
September	1,442,015	658,585	56,001	54,593	207,868	169,961	15,536	8,004	68,093	13,385	5,295	7,079	150,692	845	26,078				
October	1,445,507	663,819	56,382	54,888	209,245	171,498	15,579	8,083	68,520	13,781	5,656	6,596	145,249	401	25,810				
November	1,475,375	667,714	56,750	55,406	207,780	172,760	15,700	8,092	68,258	12,054	5,246	6,108	177,456	358	21,693				
December	1,536,503	670,955	56,165	50,593	209,539	174,190	15,756	8,251	68,535	13,080	5,803	6,614	231,145	417	19,206				

¹ Under Social Security Act, (1) retirement benefits—old-age, wife's, and husband's benefits and benefits (partly estimated) to children of old-age beneficiaries (including those to disabled children aged 18 or over, beginning Jan. 1957) and (2) disability benefits—benefits to disabled workers aged 50-64 beginning July 1957 and, beginning Oct. 1958, to their dependent wives, husbands, and children (including disabled children aged 18 or over). Beginning Dec. 1951, includes spouse's annuities under Railroad Retirement Act.

² Data for civil-service retirement and disability fund; excludes noncontributory payments made under Panama Canal Construction Annuity Act. Through June 1948, retirement and disability benefits include payments to survivors under joint and survivor elections.

³ Pensions and compensation, and subsistence payments to disabled veterans undergoing training.

⁴ Mother's, widow's, widower's, parent's, and child's benefits; beginning Jan. 1957, includes payments (partly estimated) to deceased workers' disabled children aged 18 or over.

⁵ Annuities to widows under joint and survivor elections and, beginning Feb. 1947, survivor benefits—widow's, widower's (first paid Dec. 1951), widowed mother's, parent's, and child's.

⁶ Payments to veterans' widows, parents, and children; number, end of quarter.

⁷ Number of decedents on whose account lump-sum payments were made.

⁸ Under railroad retirement, Federal civil-service, and veterans' programs.

⁹ Represents average number of beneficiaries in a 14-day registration period;

temporary disability benefits first payable July 1947.

¹⁰ Represents average weekly number of beneficiaries; includes payments to unemployed Federal workers from Jan. 1955 and to unemployed ex-servicemen from Nov. 1958, made by the States as agents of the Federal Government. Includes temporary unemployment compensation programs, June 1958-July 1959.

¹¹ Beginning Sept. 1944, under Servicemen's Readjustment Act, readjustment allowances to unemployed and self-employed veterans of World War II. Beginning Nov. 1952, under Veterans' Readjustment Assistance Act, unemployment compensation benefits to veterans. Number represents average weekly claims paid.

¹² See footnote 5, table 6, page 26.

¹³ Not available.

¹⁴ Payments: under Social Security Act annual data represent Treasury disbursements and, under Railroad Retirement Act, amounts certified (for both programs monthly benefit data, by month, are for benefits in current-payment status); under Railroad Unemployment Insurance Act, amounts certified; for Veterans Administration programs, except readjustment allowance program, disbursements; under State unemployment insurance laws, Servicemen's Readjustment Act, and Veterans' Readjustment Assistance Act, checks issued; for Civil-service programs, disbursements through June 1949 and authorizations from July 1949. Civil-service and railroad unemployment insurance data adjusted monthly; other data adjusted annually.

Source: Based on reports of administrative agencies.

Table 2.—Contributions and taxes collected under selected social insurance and related programs, by specified period, 1940-59

[In thousands]

Period	Retirement, disability, and survivor insurance		Unemployment insurance		
	Federal insurance contributions ¹	Federal civil-service contributions ²	Railroad retirement insurance contributions ³	State unemployment insurance contributions ⁴	Federal unemployment taxes ⁴
	Retirement and survivor	Disability			Railroad unemployment insurance contributions ⁵
Calendar year:					
1940	\$637,275		\$141,126	\$130,222	\$853,832
1941	789,298		167,260	148,184	1,006,327
1942	1,012,490		264,739	193,346	1,139,331
1943	1,239,490		432,913	232,247	1,325,421
1944	1,315,680		477,196	286,157	1,317,050
1945	1,285,486		540,776	279,058	1,161,884
1946	1,295,398		484,431	315,007	911,835
1947	1,556,836		491,264	484,351	1,095,520
1948	1,684,569		500,411	568,437	999,635
1949	1,666,343		651,542	565,091	986,905
1950	2,667,077		677,730	546,097	1,191,438
1951	3,363,466		703,144	708,802	1,492,509
1952	3,818,911		748,277	636,061	1,367,673
1953	3,945,095		456,177	628,195	1,347,630
1954	5,163,263		459,961	604,204	1,136,154
1955	5,713,045		743,639	595,437	1,208,785
1956	6,171,931		1,119,769	628,681	1,463,263
1957	6,825,410	\$701,566	915,044	609,452	1,544,338
1958	7,565,797	965,509	1,462,195	534,888	1,471,002
1959	8,051,972	912,629	1,494,953	567,608	1,955,666
1958					324,906
December	355,057	44,337	135,868	43,715	11,466
1959					725
					13,283

¹ Represents contributions of employees, employers, and the self-employed in employment covered by old-age and survivors insurance and, beginning January 1957, by disability insurance; beginning January 1951, on an estimated basis, with suitable subsequent adjustments; beginning May 1951, includes deposits in the trust fund(s) by States under voluntary coverage agreements; beginning December 1952 (January 1959 for disability insurance), adjusted for employee-tax refunds; beginning 1958, includes transfers from the railroad retirement account to the disability insurance trust fund under the financial interchange provisions of the Railroad Retirement Act.

² Represents employee and employing agency (Government) contributions to the civil-service retirement and disability fund.

³ Represents deposits in State clearing accounts of contributions plus penalties and interest collected from employers and, in 3 States, contributions from employees; excludes contributions collected for deposit in State temporary disability insurance funds. Data reported by State agencies.

⁴ Represents taxes paid by employers under the Federal Unemployment Tax Act.

⁵ Beginning 1947, also covers railroad temporary disability insurance.

⁶ Except for State unemployment insurance, as shown in the *Final Statement of Receipts and Expenditures of the U.S. Government*.

Source: *Monthly Statement of Receipts and Expenditures of the U.S. Government* and other Treasury reports, unless otherwise noted.

Table 3.—Estimated payrolls in employment covered by selected programs in relation to civilian wages and salaries, by specified period, 1940-59¹

[Amounts in millions; corrected to Feb. 8, 1960]

Period	Wage and salary disbursements ²		Payrolls in employment ³ covered by—					
	Total	Civilian	Old-age, survivors, and disability insurance ⁴	State unemployment insurance				
				Amount ⁵	Percent of civilian wages and salaries ⁶			
Calendar year:								
1940	\$49,818	\$49,255	\$35,560	72.2	\$32,352	65.7	\$2,280	4.6
1941	62,086	60,220	45,286	75.2	41,985	69.7	2,697	4.5
1942	82,109	75,941	57,950	76.3	54,548	71.8	3,394	4.5
1943	105,619	91,486	69,379	75.8	65,871	72.0	4,100	4.5
1944	117,016	96,983	73,060	75.3	68,886	71.0	4,523	4.7
1945	117,563	95,744	71,317	74.5	66,411	69.4	4,530	4.7
1946	111,866	104,048	79,003	75.9	73,145	70.3	4,883	4.7
1947	122,843	118,776	92,088	77.5	86,234	72.6	5,113	4.3
1948	135,179	131,209	101,892	77.7	95,731	73.0	5,539	4.2
1949	134,356	130,108	99,645	76.6	93,520	71.9	5,133	3.9
1950	146,367	141,368	109,439	77.4	102,765	72.7	5,327	3.8
1951	170,714	162,030	131,000	80.8	118,243	73.0	6,101	3.8
1952	184,857	174,385	143,000	82.0	127,320	73.0	6,185	3.5
1953	198,106	187,769	155,000	82.5	138,657	73.8	6,147	3.3
1954	196,259	186,308	154,000	82.7	136,594	73.3	5,630	3.0
1955	210,902	201,124	169,000	84.0	148,143	73.7	5,801	2.9
1956	227,634	217,971	185,000	84.9	175,342	80.4	6,203	2.8
1957	238,530	228,886	201,000	84.3	184,837	80.8	6,177	2.7
1958	239,389	229,644	202,000	84.4	183,936	80.1	5,722	2.5
1958								
Jan.-Mar.	58,639	56,271	48,000	81.9	43,790	77.8	1,411	2.5
Apr.-June	58,845	56,430	49,000	83.3	44,556	79.0	1,390	2.5
July-Sept.	60,586	58,095	50,000	82.5	46,188	79.5	1,454	2.5
Oct.-Dec.	61,206	58,795	52,000	84.9	49,394	84.0	1,467	2.5
1959								
Jan.-Mar.	62,726	60,268	51,000	81.3	46,420	77.0	1,422	2.4
Apr.-June	64,845	62,404	56,000	86.4	45,566	77.8	1,472	2.4

¹ Continental United States, except as otherwise noted. Earnings and payroll data are before deduction of social insurance contributions. Data for 1955-59 preliminary.

² Wages and salaries paid in cash and in kind in continental United States and, in addition, pay of Federal personnel in all areas. Quarterly data seasonally adjusted.

³ Taxable plus nontaxable wages paid in specified periods.

⁴ Excludes earnings of self-employed persons, who have been covered since Jan. 1, 1951. Beginning 1955, quarterly data exclude wages and salaries of agricultural labor, now reported only on annual basis. Beginning 1957, includes the Armed Forces; see footnote 6.

⁵ Includes a small amount of taxable wages for Alaska and Hawaii. Beginning 1947, includes temporary disability insurance.

⁶ Beginning 1957, represents percent of total wages and salaries; Armed Forces newly covered under 1956 legislation (including those overseas).

⁷ Beginning 1956, includes salaries of Federal, State, and local government employees.

Source: Data on wage and salary disbursements from Office of Business Economics, Department of Commerce; payrolls covered by selected programs from reports of administrative agencies.

Table 4.—*Status of the unemployment trust fund, by specified period, 1936-59*¹

[In thousands]

Period	Assets at end of period ²			State accounts				Railroad unemployment insurance account ³			
	Total assets	Invested in U.S. Government securities ⁴	Cash balances	Deposits and transfers ⁵	Interest earned	Withdrawals	Balance at end of period	Deposits and transfers	Interest earned	Withdrawals	Balance at end of period
Cumulative, January 1936-December 1959.	\$6,889,720	\$6,876,956	\$8,683	\$27,684,974	\$2,978,551	\$23,783,488	\$6,880,037	\$1,696,119	\$220,856	\$1,911,646	\$ 5,330
Calendar year:											
1940	1,957,977	1,945,300	12,677	860,784	58,901	614,814	1,804,835	59,907	1,217	15,449	153,142
1941	2,744,358	2,732,000	12,358	1,008,149	53,000	349,583	2,516,400	66,281	4,557	15,088	227,958
1942	3,698,008	3,687,000	11,008	1,138,530	68,047	344,263	3,378,714	85,973	6,084	6,695	319,293
1943	5,146,745	5,095,000	31,745	1,328,117	81,864	77,582	4,711,113	98,244	7,409	1,014	435,632
1944	6,583,434	6,579,000	4,434	1,316,940	50,518	63,153	6,015,418	119,261	4,564	568	508,016
1945	7,537,391	7,508,184	29,208	1,160,712	118,460	461,709	6,832,880	117,374	11,010	1,949	704,511
1946	7,585,255	7,564,000	21,255	915,787	130,183	1,103,967	6,774,884	122,053	13,347	39,168	810,371
1947	8,124,162	8,102,487	21,675	1,097,213	131,620	786,875	7,216,842	126,360	15,574	54,862	907,320
1948	8,520,442	8,496,365	24,077	989,067	218,902	852,484	7,572,327	67,001	27,333	60,120	948,115
1949	7,780,021	7,696,298	52,125	997,582	156,472	1,761,695	6,953,683	7,133	19,190	146,241	820,338
1950	7,721,432	7,639,229	24,181	1,190,397	145,687	1,341,832	6,947,935	15,420	16,916	85,178	773,497
1951	8,519,230	8,427,162	99,263	1,495,218	158,265	844,672	7,756,745	19,752	16,505	47,270	762,484
1952	9,032,018	9,023,069	16,118	1,371,660	177,351	905,549	8,310,207	20,020	16,594	77,288	721,810
1953	9,556,549	9,545,005	15,882	1,350,011	201,277	969,894	8,891,602	19,399	16,189	92,451	664,947
1954	8,749,444	8,739,929	4,486	1,135,261	198,602	2,032,194	8,193,272	17,287	13,692	204,078	491,848
1955	8,764,415	8,753,543	4,692	1,214,977	184,974	1,351,551	8,241,672	16,446	9,539	145,675	372,157
1956	9,069,279	9,061,089	3,138	1,504,131	199,597	1,399,095	8,546,305	56,592	8,119	119,450	317,418
1957	9,108,651	9,098,092	8,316	1,618,328	220,398	1,744,111	8,640,919	85,672	7,405	148,225	262,270
1958	7,124,037	7,113,981	8,691	1,642,198	198,989	3,541,352	6,940,754	103,858	4,441	282,330	88,240
1959	6,889,720	6,876,956	8,683	2,058,273	177,850	2,296,839	6,880,037	259,971	828	343,709	5,330
1958											
October-December	7,124,037	7,113,981	\$,691	328,699	45,875	600,434	6,940,754	26,715	710	72,750	88,240
1959											
January-March	6,534,576	6,484,998	4,463	234,104	42,972	834,127	6,383,703	26,358	425	60,590	54,432
April-June	6,719,017	6,709,422	5,946	782,737	42,431	520,586	6,688,285	30,693	288	56,080	29,334
July-September	6,960,841	6,906,396	6,702	629,583	45,901	411,400	6,952,369	88,198	69	111,997	5,604
October-December	6,889,720	6,876,956	8,683	411,849	46,545	530,726	6,880,037	114,722	46	115,042	5,330

¹ Beginning 1949, not strictly comparable with data for earlier years because of differences in accounting methods in source materials used.² Beginning 1949, total investments plus cash balances differ from total assets on a ledger basis by the sum of items in transit or suspense at the end of period. Beginning December 1954, includes transactions and assets of the Federal unemployment account, under the Employment Security Administrative Financing Act of 1954; beginning September 1956, includes undistributed appropriations.³ Includes accrued interest purchased, and repayments on account of interest on bonds at time of purchase.⁴ Includes, when applicable, loans and transfers from the Federal unemployment account and/or transfers from undistributed appropriations.⁵ Beginning July 1947, includes temporary disability program. Beginning

September 1958, includes transactions and assets of the railroad unemployment insurance administration fund. Beginning September 1959, includes loans from and repayments to railroad retirement account.

⁶ Includes transfers from State accounts to railroad unemployment insurance account amounting to \$107,161,000.⁷ Includes withdrawals of \$79,169,000 for temporary disability insurance benefits.⁸ Includes transfers to the account from railroad unemployment insurance administration fund amounting to \$106,187,199, and transfers of \$12,338,198 out of the account to adjust funds available for administrative expenses because of retroactive credits taken by contributors under the Railroad Unemployment Insurance Act Amendments of 1948.

Source: Unpublished Treasury reports.

COST-OF-LIVING SUPPLEMENTS

(Continued from page 19)

specify that, in the event of a change in the average earnings of insured workers (averaged over the first 3 of the last 4 calendar years), all existing pensions are to be adjusted "by the passage of a law." Such statutory adjustment is to take into account, however, the development of the Nation's economic capacity and productivity and any change in the per capita income of the gainfully employed. The laws also require that reports be made to Parliament by September 30 of each year on the financial position of the two pension programs, the development of the Nation's economic capacity and pro-

ductivity, and changes in per capita income during the preceding calendar year. These reports are to be accompanied by the expert findings of a social advisory council, and by Government proposals for adjustment of outstanding pensions if considered desirable. The German laws leave to Parliament, nevertheless, the final decision as to whether or not existing pensions will be readjusted.

It was found during 1958 that the average monthly wages of insured workers in Germany had risen from 379 marks during 1954-56 to 401 marks during 1955-57. As a consequence, the West German Parliament approved a 6.1-percent increase, effective January 1, 1959, in almost 7

million existing pensions. This was the first application of the adjustment provisions of the new legislation.

The German pension programs are financed by tripartite contributions of insured persons, employers, and the Government. The maximum earnings on which employee and employer contributions are payable varies automatically with changes in average insured wages, since it is set by law at double such wages. The maximum thus rose from 760 marks a month in 1958 to 802 marks in 1959. The law also provides that the size of the annual lump-sum Government contribution shall vary automatically with changes in average wages.

Table 5.—Status of the old-age and survivors insurance and disability insurance trust funds, by specified period, 1937-59
[In thousands]

Period	Receipts		Expenditures		Assets at end of period		
	Net contribution income and transfers ¹	Interest received ²	Benefit payments ³	Administrative expenses ⁴	Invested in U.S. Government securities ⁵	Cash balances	Total assets
Old-age and survivors insurance trust fund							
Cumulative, January 1937-December 1959 ⁶	\$67,176,951	\$5,831,739	\$51,307,054	\$1,560,869	\$19,151,165	\$989,602	\$20,140,766
Calendar year:							
1940	607,004	42,861	35,354	26,203	2,016,500	14,205	2,030,706
1941	789,298	56,159	88,083	26,158	2,736,400	25,522	2,761,921
1942	1,012,490	72,271	130,675	27,898	3,655,434	32,676	3,688,110
1943	1,239,490	88,250	165,938	29,454	4,778,834	41,624	4,820,458
1944	1,315,680	106,741	208,972	29,201	5,966,834	37,873	6,004,707
1945	1,285,486	134,318	273,885	29,971	7,054,424	66,232	7,120,655
1946	1,295,398	151,592	378,104	39,739	8,078,734	71,067	8,149,801
1947	1,557,911	164,186	466,193	45,561	9,268,481	91,663	9,360,144
1948	1,687,820	281,201	556,174	51,277	10,555,761	165,953	10,721,714
1949	1,669,975	145,662	667,164	54,265	11,727,994	87,928	11,815,922
1950	2,670,771	256,998	961,094	61,330	13,330,649	300,618	13,721,266
1951	3,367,200	117,267	1,885,201	80,798	15,017,325	522,409	15,539,734
1952	3,818,911	365,221	2,194,129	88,019	16,960,377	181,341	17,441,719
1953	3,945,099	414,167	3,006,298	87,732	18,291,238	115,719	18,706,956
1954	5,163,263	467,923	3,670,162	92,186	18,862,520	713,275	20,575,795
1955	5,713,045	461,051	4,968,155	118,633	21,101,865	561,238	21,663,104
1956	6,171,931	530,760	5,714,610	132,031	21,830,552	688,601	22,519,153
1957	6,825,410	557,163	7,347,347	161,522	21,565,885	826,972	22,392,857
1958	7,565,797	548,525	8,448,266	194,491	20,953,408	911,014	21,864,422
1959	8,051,972	524,798	10,116,241	184,184	19,151,165	989,602	20,140,766
1958	335,057	214,020	703,598	20,310	20,953,408	911,014	21,864,422
1959							
January	230,887	1,980	751,454	16,709	20,395,900	933,226	21,329,126
February	875,272	15,934	790,721	17,388	20,280,440	1,131,783	21,412,224
March	727,420	17,686	812,432	6,586	20,411,558	926,753	21,338,310
April	626,778	22,445	816,871	17,645	20,116,268	1,036,749	21,153,017
May	1,278,210	10,835	826,599	17,332	20,539,768	1,058,362	21,598,130
June*	586,339	200,087	823,880	19,252	20,474,430	1,066,904	21,541,424
July	298,757	-5,626	1,095,669	18,039	19,793,830	927,018	20,720,848
August	1,251,509	15,299	883,235	18,362	20,096,417	1,039,642	21,136,060
September	595,180	13,923	838,850	25,569	19,924,675	956,068	20,880,743
October	245,584	18,189	841,472	17,733	19,367,605	917,707	20,285,312
November	904,629	3,812	841,260	18,168	19,163,905	1,170,420	20,334,325
December	431,406	210,232	843,797	-8,600	19,151,165	989,602	20,140,766
Disability insurance trust fund							
Cumulative, January 1957-December 1959 ⁶	\$2,579,704	\$73,112	\$762,355	\$65,255	\$1,793,379	\$31,828	\$1,825,206
Calendar year:							
1957	701,566	7,240	56,675	2,783	611,946	37,403	649,349
1958	965,509	25,091	248,958	12,477	1,320,738	57,756	1,378,514
1959	912,629	40,781	456,722	49,995	1,793,379	31,828	1,825,206
1958	44,337	13,523	23,189	545	1,320,758	57,756	1,378,514
1959							
January	16,494	102	32,793	738	1,316,678	44,901	1,361,578
February	108,608	794	31,096	246	1,359,353	80,285	1,439,638
March	82,163	-54	32,860	17,773	1,426,704	44,411	1,471,115
April	58,719	491	31,945	270	1,455,434	42,676	1,498,110
May	159,230	610	33,696	270	1,542,014	82,000	1,624,014
June*	66,308	16,196	39,628	270	1,606,874	59,747	1,666,621
July	53,177	674	42,299	280	1,629,234	48,659	1,677,893
August	137,055	855	41,539	280	1,698,111	75,872	1,773,983
September	58,729	262	40,607	280	1,741,661	50,427	1,792,088
October	23,793	616	44,016	268	1,725,458	46,755	1,772,213
November	101,374	829	44,323	268	1,745,558	84,266	1,829,824
December	46,977	19,377	41,921	29,050	1,793,379	31,828	1,825,206

* For July 1940 to December 1950 equals taxes collected; beginning January 1951, equals amounts appropriated (estimated tax collections with suitable subsequent adjustments). Beginning May 1951, includes deposits by States under voluntary coverage agreements. For 1947-51 includes amounts appropriated to meet costs of benefits payable to certain veterans' survivors. Beginning 1952 for the old-age and survivors insurance trust fund and January 1959 for the disability insurance trust fund, includes deductions for refund of estimated amount of employee-tax overpayment. Beginning 1959, includes transfers to the disability insurance trust fund from the railroad retirement account under the financial interchange provisions of the Railroad Retirement Act; the first, in July 1959, was \$21 million (plus interest, see footnote 2).

² In addition to interest and profit on investment, includes annual interfund transfers of interest as follows: under the financial interchange provisions, 1954-57—to the old-age and survivors insurance trust fund from the railroad retirement account, 1958 to date—to the railroad retirement account from the old-age and survivors insurance trust fund (see footnote 3), and, 1959—to the disability insurance trust fund from the railroad retirement account (see footnote 1); and, 1958 to date—to the old-age and survivors insurance trust fund from the disability insurance trust fund on reimbursed administrative expenses (see footnote 4).

³ Beginning July 1958, includes transfers to the railroad retirement account from the old-age and survivors insurance trust fund under the financial interchange provisions; the latest, in July 1959, was \$275 million (plus interest, see footnote 2).

⁴ Represents net expenditures for administration. Beginning November 1951, adjusted for reimbursements to trust fund of small amounts for sales of services. Beginning October 1953, includes expenses for central office building construction. Since the January 1957 inception of the disability insurance trust fund, most administrative expenses are paid initially from the old-age and survivors insurance trust fund with subsequent reimbursement (plus interest, see footnote 2) from the disability insurance trust fund for the allocated cost of disability insurance operations. The Treasury Department, however, is regularly reimbursed from the appropriate trust fund for its expenses as incurred.

⁵ Book value: Includes net unamortized premium and discount, accrued interest purchased, and repayments on account of accrued interest on bonds at the time of purchase.

⁶ Revised to correspond with *Final Statement of Receipts and Expenditures of the U. S. Government*.

Source: *Monthly Statement of Receipts and Expenditures of the U. S. Government* and unpublished Treasury reports.

Table 6.—*Old-age, survivors, and disability insurance: Monthly benefits in current-payment status at the end of selected months, December 1948–December 1959, by type of benefit, and monthly benefits awarded, December 1959*¹

[Amounts in thousands; data corrected to Jan. 27, 1960]

Item	Total			Old-age	Disability ²	Wife's or husband's			Child's ⁴			Widow's or widower's	Mother's	Parent's
	Total	OASI ³	DI ³			Total	OASI ³	DI ³	Total	OASI ³	DI ³			
	Number													
In current-payment status at end of month:														
December:														
1948.....	2,314,557	2,314,557		1,047,985		320,928	320,928		581,265	581,265		210,253	142,223	11,903
1950.....	3,477,243	3,477,243		1,770,984		508,350	508,350		699,703	699,703		314,189	169,438	14,579
1952.....	5,025,549	5,025,549		2,643,932		737,859	737,859		938,751	938,751		454,563	228,984	21,460
1954.....	6,886,480	6,886,480		3,775,134		1,015,892	1,015,892		1,160,770	1,160,770		638,091	271,536	25,057
1956.....	9,128,121	9,128,121		5,112,430		1,433,507	1,433,507		1,340,995	1,340,995		913,069	301,240	26,880
November 1958 ⁵	12,430,234	12,162,177	268,057	6,920,677	237,719	2,031,091	2,018,860	12,231	1,624,135	1,606,028	18,107	1,232,583	353,964	30,065
1959														
January.....	12,565,823	12,263,577	302,246	6,968,335	248,594	2,045,988	2,025,344	20,644	1,663,592	1,630,884	32,708	1,254,302	354,028	30,684
February.....	12,674,727	12,359,615	315,112	7,026,854	254,701	2,063,391	2,039,655	23,736	1,676,635	1,639,960	36,675	1,267,444	354,689	31,013
March.....	12,827,393	12,498,748	328,645	7,111,435	261,266	2,088,632	2,062,296	26,336	1,695,411	1,654,368	41,043	1,282,174	356,995	31,480
April.....	12,967,396	12,629,974	337,422	7,187,142	265,858	2,110,941	2,083,136	27,805	1,714,849	1,671,090	43,759	1,296,422	360,250	31,934
May.....	13,067,700	12,720,592	347,108	7,238,215	268,842	2,126,089	2,095,981	30,108	1,731,373	1,683,215	48,158	1,308,743	362,115	32,323
June.....	13,181,380	12,820,164	361,216	7,295,640	275,164	2,141,761	2,108,534	33,227	1,747,656	1,694,833	52,825	1,321,979	366,498	32,682
July.....	13,288,220	12,903,579	384,641	7,345,206	288,631	2,155,701	2,118,430	37,262	1,760,617	1,701,869	58,748	1,334,316	370,743	33,006
August.....	13,395,770	12,995,845	394,925	7,399,152	297,611	2,169,313	2,129,492	39,821	1,774,396	1,711,903	62,493	1,347,802	374,119	33,377
September.....	13,486,122	13,068,457	417,665	7,437,836	308,598	2,182,383	2,140,429	41,054	1,791,434	1,724,321	67,113	1,358,931	373,227	33,713
October.....	13,576,095	13,143,808	432,287	7,476,908	317,888	2,194,307	2,150,548	43,759	1,808,125	1,737,485	70,640	1,370,848	374,041	33,978
November.....	13,644,293	13,195,554	448,739	7,503,120	327,640	2,202,848	2,156,655	46,193	1,820,039	1,745,133	74,906	1,381,495	374,848	34,303
December.....	13,703,918	13,243,564	460,354	7,525,628	334,443	2,208,017	2,160,103	47,914	1,831,548	1,753,551	77,997	1,393,587	376,145	34,550
Awarded, December 1959.....	165,885	141,405	24,490	65,447	14,752	28,290	24,266	4,024	30,090	24,386	5,704	19,441	7,361	504
Monthly amount														
In current-payment status at end of month:														
December:														
1948.....	\$45,872.5	\$45,872.5		\$26,564.2		\$4,307.3	\$4,307.3		\$7,549.0	\$7,549.0		\$4,331.0	\$2,958.5	\$162.2
1950.....	126,856.5	126,856.5		77,678.3		11,994.9	11,994.9		19,366.3	19,366.3		11,481.3	5,800.8	534.9
1952.....	205,179.0	205,179.0		130,217.4		19,178.4	19,178.4		28,141.3	28,141.3		18,482.2	8,272.7	887.0
1954.....	339,342.0	339,342.0		223,271.8		32,270.6	32,270.6		40,996.4	40,996.4		29,525.7	12,088.9	1,188.6
1956.....	482,592.9	482,592.9		322,536.8		48,325.6	48,325.6		50,323.7	50,323.7		45,780.0	14,262.2	1,364.8
November 1958 ⁵	697,528.6	677,103.7	\$20,424.9	459,201.1	\$19,515.7	71,230.1	70,814.8	\$415.2	64,130.2	63,636.3	\$494.0	63,976.6	17,886.5	1,588.3
1959														
January.....	759,750.1	736,167.1	23,583.0	497,547.3	21,876.1	77,097.1	76,355.1	742.0	71,832.6	70,867.7	964.9	69,977.3	19,671.5	1,748.2
February.....	768,656.8	744,262.9	24,393.9	503,286.7	22,441.7	77,951.9	77,097.1	854.8	72,597.0	71,499.6	1,097.4	70,826.5	19,780.0	1,773.0
March.....	780,181.2	754,952.8	25,228.4	510,893.7	23,044.9	79,065.0	78,116.5	948.5	73,569.0	72,334.0	1,235.0	71,778.4	20,022.1	1,808.2
April.....	790,219.9	764,420.0	25,799.9	517,379.6	23,465.2	80,001.0	78,995.5	1,005.6	74,557.7	73,228.5	1,329.2	72,704.5	20,270.3	1,841.6
May.....	797,299.4	771,009.7	26,289.7	521,731.1	23,740.0	80,628.9	79,544.1	1,058.4	75,386.2	73,921.3	1,464.9	73,504.5	20,438.2	1,870.5
June.....	805,545.3	778,404.0	27,141.2	526,700.8	24,324.3	81,295.2	80,096.0	1,199.2	76,209.0	74,591.3	1,617.7	74,359.1	20,760.4	1,896.4
July.....	813,712.0	785,002.7	28,709.3	531,230.1	25,563.2	81,901.0	80,557.8	1,343.2	76,861.8	75,058.9	1,802.9	75,151.8	21,084.1	1,920.1
August.....	822,047.0	792,297.0	29,750.0	536,130.0	26,389.5	82,531.6	81,094.8	1,436.7	77,660.6	75,730.9	1,923.7	76,029.1	21,359.2	1,947.1
September.....	828,546.2	797,564.1	30,982.1	539,497.9	27,397.8	83,089.9	81,575.5	1,514.4	78,526.3	76,456.5	2,068.8	76,760.9	21,302.4	1,971.0
October.....	835,317.0	803,301.7	32,015.3	543,120.9	28,251.0	83,623.2	82,044.2	1,579.1	79,418.2	78,223.0	2,185.2	77,543.1	21,368.9	1,991.6
November.....	840,474.2	807,355.8	33,118.4	545,561.8	29,135.4	83,998.8	82,338.7	1,655.2	80,061.3	77,743.4	2,317.8	78,248.5	21,453.1	2,015.2
December.....	845,144.3	811,237.3	33,907.0	547,749.1	29,765.3	84,254.2	82,526.8	1,727.3	80,715.6	78,301.2	2,414.4	79,047.4	21,579.2	2,033.6
Awarded, December 1959.....	10,904.1	9,206.9	1,697.2	5,383.7	1,363.9	1,124.7	972.8	151.0	1,310.9	1,129.5	181.4	1,198.4	488.3	34.1

¹ For an explanation of the treatment of dual entitlements, see the *Bulletin* for April 1957, p. 29, table 4, footnote 1.

³ Monthly benefits to disabled workers aged 50-64.

² Includes benefits payable to disabled persons aged 18 or over—dependent children of disabled, deceased, or retired workers—whose disability began before age 18.

⁴ To effect the benefit increases provided by the 1958 amendments, certain operations affecting statistical data on monthly benefits and lump sums awarded and monthly benefits in current-payment status were suspended for December 1958; the figures on benefits in current-payment status at the end of December 1958 are therefore not available.

Table 7.—Old-age, survivors, and disability insurance: Number of monthly benefits awarded, by type of benefit, 1955–59

Year and quarter ¹	Total			Old-age	Disability ²	Wife's or husband's			Child's ⁴			Widow's or widower's	Mother's	Parent's
	Total	OASI ³	DI ³			Total	OASI ³	DI ³	Total	OASI ³	DI ³			
1955	1,657,773	1,657,773	—	909,883	—	288,915	288,915	—	238,795	238,795	—	140,624	76,018	3,538
1956	1,855,296	1,855,296	—	934,033	—	384,562	384,562	—	211,783	211,783	—	253,524	67,475	3,919
1957	2,832,344	2,653,542	178,802	1,424,975	178,802	578,012	578,012	—	313,163	313,163	—	244,633	88,174	4,585
1958 (Jan.–Nov.) ⁵	2,123,465	1,960,899	162,566	1,041,668	131,382	379,473	366,553	12,920	286,782	268,518	18,264	199,320	81,467	3,373
1959 ⁶	2,501,815	2,191,003	310,812	1,089,769	177,852	444,783	390,479	54,304	426,924	348,268	78,656	252,642	102,049	7,796
1955														
January–March	396,719	396,719	—	219,209	—	75,936	75,936	—	50,547	50,547	—	34,389	15,917	721
April–June	504,709	504,709	—	291,587	—	86,914	86,914	—	67,375	67,375	—	36,663	21,263	907
July–September	402,163	402,163	—	217,849	—	67,324	67,324	—	61,535	61,535	—	34,855	19,631	969
October–December	354,182	354,182	—	181,238	—	58,741	58,741	—	59,338	59,338	—	34,717	19,207	941
1956														
January–March	346,713	346,713	—	185,202	—	59,905	59,905	—	52,382	52,382	—	31,845	16,587	792
April–June	413,242	413,242	—	223,469	—	73,641	73,641	—	60,706	60,706	—	35,271	19,244	911
July–September	438,803	438,803	—	244,225	—	87,051	87,051	—	55,098	55,098	—	33,842	17,748	839
October–December	656,538	656,538	—	281,137	—	163,965	163,965	—	43,597	43,597	—	152,566	13,896	1,377
1957														
January–March	659,108	659,108	—	348,707	—	151,509	151,509	—	65,681	65,681	—	72,076	19,890	1,245
April–June	950,330	950,330	—	538,103	—	226,371	226,371	—	94,029	94,029	—	65,857	24,645	1,325
July–September	641,756	506,490	135,266	264,506	135,266	100,944	100,944	—	72,626	72,626	—	48,603	18,849	962
October–December	581,150	537,614	43,536	273,659	43,536	99,188	99,188	—	80,827	80,827	—	58,097	24,790	1,053
1958														
January–March	546,939	502,668	44,271	263,420	44,271	95,847	95,847	—	67,599	67,599	—	54,374	20,611	817
April–June	711,565	672,548	39,017	371,765	39,017	128,665	128,665	—	85,599	85,599	—	59,996	25,553	970
July–September	547,059	516,815	30,244	271,872	30,244	92,757	92,757	—	74,213	74,213	—	54,668	22,423	882
October–November ⁵	317,902	268,868	49,034	134,611	17,850	62,204	49,284	12,920	59,371	41,107	18,264	30,282	12,880	704
1959														
January–March	764,832	674,932	89,900	338,484	45,642	140,618	122,570	18,048	128,520	102,310	26,210	78,953	30,123	2,492
April–June	651,282	587,481	63,801	302,131	35,182	118,859	107,230	11,629	105,901	88,971	16,990	61,323	25,829	1,997
July–September	567,260	485,543	81,717	240,781	50,506	95,911	83,220	12,691	99,135	80,615	18,520	55,804	23,400	1,723
October–December	518,441	443,047	75,394	208,373	46,522	89,395	77,459	11,936	93,308	76,372	16,036	56,562	22,607	1,384

¹ Annual data for 1940–54 appear in the 1958 *Annual Statistical Supplement*, p. 23, table 34.

² See footnote 2, table 6, page 26.

³ Monthly benefits to disabled workers aged 50–64.

⁴ Includes benefits payable to disabled persons aged 18 or over—dependent children of disabled, deceased, or retired workers—whose disability began before age 18.

⁵ To effect the benefit increases provided by the 1958 amendments, certain operations affecting statistical data on benefits awarded and monthly benefits in current-payment status were suspended for December 1958; figures on benefits awarded in December 1958 are therefore not available separately but are included in the figures for benefits awarded in January 1959.

Table 8.—Old-age, survivors, and disability insurance: Number of wife's or husband's monthly benefits awarded, 1955–59
 [Included in table 7; data corrected to Jan. 28, 1960]

Year and quarter	Total			Aged wife's ¹			Young wife's ²			Husband's		
	Total	OASI ³	DI ³	Total	OASI ³	DI ³	Total	OASI ³	DI ³	Total	OASI ³	DI ³
1955	288,915	288,915	—	263,816	263,816	—	21,692	21,692	—	3,407	3,407	—
1956	384,562	384,562	—	361,391	361,391	—	20,162	20,162	—	3,009	3,009	—
1957	578,012	578,012	—	537,454	537,454	—	36,289	36,289	—	4,269	4,269	—
1958 (Jan.–Nov.) ⁴	379,473	366,553	12,920	339,166	334,131	5,035	37,442	29,573	7,860	2,865	2,849	16
1955	—	—	—	—	—	—	—	—	—	—	—	—
January–March	75,936	75,936	—	70,347	70,347	—	4,917	4,917	—	672	672	—
April–June	86,914	86,914	—	79,097	79,097	—	6,686	6,686	—	1,131	1,131	—
July–September	67,324	67,324	—	61,018	61,018	—	5,416	5,416	—	890	890	—
October–December	58,741	58,741	—	53,354	53,354	—	4,673	4,673	—	714	714	—
1956	—	—	—	—	—	—	—	—	—	—	—	—
January–March	59,905	59,905	—	54,611	54,611	—	4,637	4,637	—	657	657	—
April–June	73,641	73,641	—	66,976	66,976	—	5,838	5,838	—	827	827	—
July–September	87,051	87,051	—	80,490	80,490	—	5,737	5,737	—	824	824	—
October–December	163,965	163,965	—	159,314	159,314	—	3,950	3,950	—	701	701	—
1957	—	—	—	—	—	—	—	—	—	—	—	—
January–March	151,509	151,509	—	143,841	143,841	—	6,765	6,765	—	903	903	—
April–June	226,371	226,371	—	211,044	211,044	—	13,693	13,693	—	1,634	1,634	—
July–September	100,944	100,944	—	91,852	91,852	—	8,191	8,191	—	901	901	—
October–December	99,188	99,188	—	90,717	90,717	—	7,640	7,640	—	831	831	—
1958	—	—	—	—	—	—	—	—	—	—	—	—
January–March	95,847	95,847	—	87,941	87,941	—	7,236	7,236	—	670	670	—
April–June	128,665	128,665	—	117,239	117,239	—	10,440	10,440	—	986	986	—
July–September	92,757	92,757	—	84,175	84,175	—	7,768	7,768	—	814	814	—
October–November ⁴	62,204	49,284	12,920	49,811	44,776	5,035	11,998	4,129	7,869	395	379	16
1959	—	—	—	—	—	—	—	—	—	—	—	—
January–March ⁴	140,618	122,570	18,048	118,644	111,480	7,164	21,133	10,304	10,829	841	786	55
April–June	118,859	107,230	11,629	101,256	96,373	4,883	16,780	10,059	6,721	823	798	25
July–September	95,911	83,220	12,691	79,897	74,864	5,033	15,345	7,725	7,620	669	631	38

¹ Wife aged 65 or over, or wife aged 62–64 with no entitled children in her care.

³ See footnote 2, table 6, page 26.

² Wife under age 65 with one or more entitled children in her care.

⁴ See footnote 5, table 7, page 27.

Table 9.—Old-age, survivors, and disability insurance: Number of child's monthly benefits awarded, 1955–59
 [Included in table 7; data corrected to Feb. 1, 1960]

Year and quarter	Total			Children of retired workers			Children of deceased workers			Children of disabled workers		
	Total	Under age 18	Aged 18 or over (disabled) ¹	Total	Under age 18	Aged 18 or over (disabled) ¹	Total	Under age 18	Aged 18 or over (disabled) ¹	Total	Under age 18	Aged 18 or over (disabled) ¹
1955	238,795	238,795	—	40,402	40,402	—	198,393	198,393	—	—	—	—
1956	211,783	211,783	—	37,900	37,900	—	173,883	173,883	—	—	—	—
1957	313,163	283,656	29,507	81,842	64,593	17,249	231,321	219,063	12,258	—	—	—
1958 (Jan.–Nov.) ²	286,782	267,812	18,970	63,408	52,028	11,380	205,110	197,536	7,574	18,264	18,248	16
1955	—	—	—	—	—	—	—	—	—	—	—	—
January–March	50,547	50,547	—	9,262	9,262	—	41,285	41,285	—	—	—	—
April–June	67,375	67,375	—	12,485	12,485	—	54,890	54,890	—	—	—	—
July–September	61,535	61,535	—	10,068	10,068	—	51,467	51,467	—	—	—	—
October–December	59,338	59,338	—	8,587	8,587	—	50,751	50,751	—	—	—	—
1956	—	—	—	—	—	—	—	—	—	—	—	—
January–March	52,382	52,382	—	8,825	8,825	—	43,557	43,557	—	—	—	—
April–June	60,706	60,706	—	11,203	11,203	—	49,503	49,503	—	—	—	—
July–September	55,098	55,098	—	10,354	10,354	—	44,744	44,744	—	—	—	—
October–December	43,597	43,597	—	7,518	7,518	—	36,079	36,079	—	—	—	—
1957	—	—	—	—	—	—	—	—	—	—	—	—
January–March	65,681	62,137	3,544	14,429	12,496	1,933	51,252	49,641	1,611	—	—	—
April–June	94,029	87,263	6,766	28,937	25,086	3,851	65,092	62,177	2,915	—	—	—
July–September	72,626	60,409	12,217	21,192	13,846	7,346	51,434	46,563	4,871	—	—	—
October–December	80,827	73,847	6,980	17,284	13,165	4,119	63,543	60,682	2,861	—	—	—
1958	—	—	—	—	—	—	—	—	—	—	—	—
January–March	67,599	62,194	5,405	16,164	13,013	3,151	51,435	49,181	2,254	—	—	—
April–June	85,599	79,810	5,789	21,904	18,286	3,618	63,695	61,524	2,171	—	—	—
July–September	74,213	69,248	4,965	16,735	13,673	3,062	57,478	55,575	1,903	—	—	—
October–November ²	59,371	56,560	2,811	8,605	7,056	1,549	32,502	31,256	1,246	18,264	18,248	16
1959	—	—	—	—	—	—	—	—	—	—	—	—
January–March ²	128,520	118,283	10,237	24,842	18,978	5,864	77,468	73,548	3,920	26,210	25,757	453
April–June	105,961	97,032	8,929	23,062	17,916	5,146	65,909	62,515	3,394	16,990	16,601	389
July–September	99,135	89,251	9,884	18,779	13,355	5,424	61,836	57,938	3,898	18,520	17,958	562

¹ Dependent children whose disability began before age 18.

² See footnote 5, table 7, page 27.

Table 10.—Old-age, survivors, and disability insurance: Number of widow's, widower's, and mother's benefits awarded, 1955-59

[Included in table 7; data corrected to Jan. 29, 1960]

Year and quarter	Widow's or widower's			Mother's		
	Total	Widow's	Widower's	Total	Widowed mother	Divorced wife
1955	140,624	140,273	351	76,018	75,927	91
1956	253,524	253,191	333	67,475	67,410	65
1957	244,633	244,172	461	88,174	88,102	72
1958 (Jan.-Nov.) ¹	199,320	198,948	372	81,467	81,392	75
1959						
January-March	34,389	34,314	75	15,917	15,905	12
April-June	36,663	36,559	104	21,263	21,238	25
July-September	34,855	34,770	85	19,631	19,600	31
October-December	34,717	34,630	87	19,207	19,184	23
1956						
January-March	31,845	31,769	76	16,587	16,572	15
April-June	35,271	35,187	84	19,244	19,224	20
July-September	33,942	33,760	82	17,748	17,733	15
October-December	152,566	152,475	91	13,896	13,881	15
1957						
January-March	72,076	71,979	97	19,890	19,878	12
April-June	65,857	65,707	150	24,645	24,624	21
July-September	48,603	48,496	107	18,849	18,831	18
October-December	58,097	57,900	107	24,790	24,769	21
1958						
January-March	54,374	54,274	100	20,611	20,596	15
April-June	59,996	59,883	113	25,553	25,530	23
July-September	54,668	54,556	112	22,423	22,403	20
October-November ¹	30,282	30,235	47	12,880	12,863	17
1959						
January-March ¹	78,953	78,757	196	30,123	30,106	17
April-June	61,323	61,166	157	25,829	25,812	17
July-September	55,804	55,687	117	23,400	23,372	28

¹ See footnote 5, table 7, page 27.

Table 11.—Old-age, survivors, and disability insurance: Number of wife's and mother's monthly benefits, with entitlement dependent on the entitlement of a disabled person aged 18 or over to a child's monthly benefit, awarded, 1957-59

[Partly included in tables 7, 8, and 10; data corrected to Jan. 29, 1960]

Year and quarter	Wife's ¹			Mother's ¹
	Total	Wife of retired worker	Wife of disabled worker	
1957	2,544	2,544	—	2,018
1958 (Jan.-Nov.) ²	2,088	2,084	4	1,263
1959				
January-March	204	204	—	222
April-June	455	455	—	447
July-September	1,103	1,103	—	865
October-December	782	782	—	484
1958				
January-March	523	523	—	392
April-June	688	688	—	402
July-September	595	595	—	291
October-November ²	282	278	4	178
1959				
January-March ²	718	636	82	494
April-June	754	731	23	378
July-September	826	716	110	424

¹ Payable to a wife or mother entitled to benefits solely because she had in her care at least one disabled person aged 18 or over entitled to child's benefits; excludes a wife or mother beneficiary who had both disabled and non-disabled entitled children in her care.

² See footnote 5, table 7, page 27.

Table 12.—Old-age, survivors, and disability insurance: Number of lump-sum death payments awarded, and number of deceased workers represented for the first time in awards of lump-sum death payments, 1955-59

[Corrected to Jan. 27, 1960]

Year and quarter ¹	Number of payments	Number of deceased workers
1955	589,612	566,830
1956	572,291	546,984
1957	718,672	689,282
1958 (Jan.-Nov.) ²	683,964	656,825
1959 ²	855,026	822,407
1955		
January-March	127,646	122,660
April-June	165,082	159,272
July-September	149,649	143,806
October-December	147,235	141,092
1956		
January-March	140,862	135,218
April-June	162,620	155,268
July-September	149,594	142,149
October-December	119,215	114,349
1957		
January-March	173,108	166,199
April-June	198,975	190,089
July-September	158,649	152,011
October-December	187,940	180,983
1958		
January-March	179,534	172,541
April-June	210,895	202,300
July-September	187,770	180,114
October-November ²	105,765	101,870
1959		
January-March ²	252,314	243,607
April-June	211,169	203,067
July-September	198,930	190,918
October-December	192,613	184,815

¹ Annual data for 1940-54 appear in the 1958 *Annual Statistical Supplement*, p. 23, table 34.

² See footnote 5, table 7, page 27.

Table 13.—Employment security: Selected data on nonfarm placements and unemployment insurance claims and benefits, by State, December 1959¹

State	Nonfarm placements	Initial claims		Weeks of unemployment covered by continued claims		Compensated unemployment				Average weekly insured unemployment ³	
		Total ²	Women	Total	Women	All types of unemployment ³		Total unemployment			
						Weeks compensated	Benefits paid ⁴	Average weekly number of beneficiaries	Weeks compensated	Average weekly payment	
Total.....	432,067	1,644,610	563,258	8,403,441	2,727,344	7,107,531	\$219,465,603	1,545,115	6,529,872	\$31.91	1,841,006
Alabama.....	6,050	17,481	4,089	126,898	28,650	99,771	2,267,036	21,689	95,823	23.04	26,923
Alaska.....	520	2,246	249	16,158	2,264	18,344	668,573	3,988	17,490	36.08	4,100
Arizona.....	6,717	6,885	1,027	38,688	8,343	27,520	855,188	5,983	26,472	31.39	8,202
Arkansas.....	4,974	14,272	3,624	78,585	22,407	49,321	1,057,150	10,722	45,183	21.98	17,260
California.....	39,099	153,124	38,748	791,727	267,857	680,257	24,524,918	147,882	649,368	36.43	172,085
Colorado.....	6,744	6,514	1,062	32,664	8,659	27,819	966,668	6,048	25,791	35.69	7,249
Connecticut.....	7,635	30,720	15,947	129,386	57,093	111,204	3,770,388	24,175	106,452	34.59	28,668
Delaware.....	544	3,521	565	24,433	4,445	26,368	853,556	5,732	23,868	34.25	4,939
District of Columbia.....	3,899	3,525	682	21,455	6,927	18,355	473,863	3,990	17,939	25.95	4,569
Florida.....	18,221	22,239	7,259	110,036	38,870	59,608	1,567,280	12,958	56,722	26.75	23,179
Georgia.....	7,913	19,964	7,985	144,736	60,297	116,316	2,773,265	25,286	107,546	24.60	30,345
Hawaii.....	996	1,813	712	16,445	8,355	16,866	476,523	3,667	13,153	31.69	4,008
Idaho.....	2,370	6,032	708	31,400	5,630	22,904	700,288	4,979	21,839	34.85	6,966
Illinois.....	18,927	68,573	21,491	375,744	113,480	328,942	10,985,765	71,509	307,648	34.20	80,572
Indiana.....	5,522	31,109	8,471	147,077	36,406	151,533	4,446,198	32,942	138,890	30.46	38,041
Iowa.....	6,814	9,842	2,177	50,481	11,781	35,610	993,127	7,741	31,948	29.20	11,340
Kansas.....	5,734	10,272	1,495	38,513	14,974	56,028	1,860,329	12,180	53,001	33.79	12,481
Kentucky.....	4,632	19,764	5,910	130,131	29,277	96,672	2,688,570	21,016	89,187	28.78	27,582
Louisiana.....	5,691	17,793	2,001	115,350	16,888	98,870	2,934,648	21,493	91,975	30.55	24,228
Maine.....	1,197	9,305	2,919	67,164	30,887	56,807	1,162,644	12,349	53,042	20.60	14,642
Maryland.....	3,479	27,654	9,186	149,758	46,968	155,576	4,688,794	33,821	146,092	30.87	34,631
Massachusetts.....	11,959	96,231	33,081	339,176	163,553	281,185	8,292,696	61,127	225,493	32.79	78,911
Michigan.....	10,975	74,550	13,126	556,457	91,408	470,041	17,264,392	102,183	447,979	37.57	97,402
Minnesota.....	6,925	22,157	5,359	145,432	28,162	122,691	3,542,618	26,672	117,505	29.25	32,812
Mississippi.....	6,239	13,713	4,188	66,699	14,889	44,270	1,032,582	9,624	40,540	24.11	14,881
Missouri.....	6,026	38,271	11,610	193,486	47,413	141,936	3,862,083	30,856	125,259	29.07	40,483
Montana.....	1,914	6,087	896	43,710	8,639	50,235	1,425,591	10,921	50,235	28.29	11,323
Nebraska.....	4,772	5,203	987	20,235	6,529	17,860	501,320	3,883	16,839	28.92	4,821
Nevada.....	1,717	3,593	850	17,772	5,093	16,835	615,282	3,660	15,561	37.50	3,829
New Hampshire.....	1,211	6,298	2,781	24,007	12,765	19,756	470,547	4,295	17,260	25.49	5,768
New Jersey.....	9,767	93,265	48,105	415,393	212,301	397,557	12,421,308	86,425	347,532	32.32	91,988
New Mexico.....	2,623	5,172	519	27,593	4,184	22,014	623,791	4,786	20,956	28.88	5,788
New York.....	63,523	312,335	133,337	1,226,387	500,366	1,019,635	33,752,280	221,660	897,095	35.23	273,190
North Carolina.....	10,753	26,656	13,735	132,648	69,709	131,657	2,534,229	28,621	121,191	19.81	35,855
North Dakota.....	1,350	3,265	251	19,706	1,615	15,083	422,729	3,279	13,644	28.28	5,672
Ohio.....	16,167	74,037	16,119	445,737	99,810	354,634	13,744,751	77,094	336,491	38.77	93,420
Oklahoma.....	8,591	12,451	2,969	72,612	22,997	48,668	1,218,338	10,581	45,026	25.87	15,978
Oregon.....	4,695	21,919	3,672	100,171	25,155	66,551	2,295,324	14,468	62,226	35.17	22,197
Pennsylvania.....	23,952	155,729	64,663	818,579	276,699	714,149	19,999,785	155,250	651,746	29.20	179,100
Puerto Rico.....	2,462	1,244	317	8,349	2,894						
Rhode Island.....	1,495	17,942	10,382	57,358	28,529	48,217	1,346,713	10,482	43,351	29.24	13,500
South Carolina.....	5,566	8,647	3,503	51,444	23,332	40,892	888,520	8,890	38,016	22.22	12,088
South Dakota.....	1,379	2,354	437	11,488	1,681	7,482	203,071	1,620	6,850	28.24	2,649
Tennessee.....	7,545	22,800	6,208	151,130	49,423	124,793	2,716,811	27,129	115,001	22.35	33,957
Texas.....	34,992	32,691	6,626	191,477	49,141	195,196	4,689,488	42,434	185,019	24.44	50,280
Utah.....	3,220	7,133	953	28,989	6,719	21,187	685,012	4,606	20,173	32.84	6,499
Vermont.....	647	3,757	1,356	15,124	6,495	12,604	318,846	2,740	11,535	26.29	3,450
Virginia.....	5,445	14,575	5,105	70,486	22,432	52,987	1,230,065	11,519	50,392	23.73	15,776
Virgin Islands.....	364			1							
Washington.....	5,999	41,435	9,433	235,857	70,322	200,578	6,296,255	43,604	191,889	31.71	50,980
West Virginia.....	1,621	13,034	1,573	107,065	15,619	89,001	1,904,227	19,348	82,185	21.99	23,598
Wisconsin.....	9,484	23,413	4,566	143,367	36,848	115,745	4,020,809	25,162	104,690	35.22	30,390
Wyoming.....	982	2,005	244	8,677	2,164	9,401	341,369	2,044	8,764	37.15	2,411

¹ Excludes data for the Federal employees' unemployment compensation program, administered by the States as agents of the Federal Government; not comparable, therefore, with data previously published in the *Bulletin* for April 1955-June 1959.

² Excludes transitional claims.

³ Total, part-total, and partial.

⁴ Not adjusted for voided benefit checks and transfers under interstate combined-wage plan.

⁵ Includes 29 placements made in Guam, not shown separately.

Source: Department of Labor, Bureau of Employment Security, and affiliated State agencies.

Table 14.—*Public assistance in the United States, by month, December 1958–December 1959*¹

[Except for general assistance, includes vendor payments for medical care and cases receiving only such payments]

Year and month	Total ²	Old-age assistance	Aid to dependent children			Aid to the blind	Aid to the permanently and totally disabled	General assistance (cases) ⁴	Total	Old-age assistance	Aid to dependent children (recipients)	Aid to the blind	Aid to the permanently and totally disabled	General assistance (cases) ⁴											
			Families		Recipients																				
			Total ³	Children																					
Number of recipients																									
1958																									
December...	2,455,210	756,437	2,850,506	2,185,310	109,844	327,785	434,000	-----	(*)	+1.4	(*)	+0.8	+10.6												
1959																									
January...	2,448,033	763,380	2,878,412	2,206,932	109,707	329,479	471,000	-----	-0.3	+1.0	-0.1	+.5	+8.4												
February...	2,438,436	769,185	2,901,611	2,224,849	109,468	330,345	480,000	-----	-4	+.8	-.2	+.3	+1.9												
March ^a ...	2,433,348	775,557	2,917,045	2,235,296	109,295	331,294	480,000	-----	-1	+.8	+.1	+.7	(*)												
April ^a ...	2,431,092	781,132	2,940,629	2,253,313	109,542	335,134	450,000	-----	-2	+.5	(*)	+.8	-6.3												
May ^a ...	2,427,898	781,114	2,942,741	2,255,628	109,538	337,495	412,000	-----	-1	(*)	(*)	+.8	-8.3												
June ^a ...	2,419,885	777,632	2,929,980	2,246,965	109,445	339,214	387,000	-----	-3	-.5	-.1	+.5	-6.1												
July...	2,413,938	772,222	2,911,086	2,233,672	109,443	341,355	370,000	-----	-2	-.6	(?)	+.6	-4.5												
August...	2,407,910	771,156	2,910,596	2,235,272	109,325	342,616	380,000	-----	-2	(?)	-1	+.4	+2.8												
September...	2,404,265	771,931	2,917,419	2,241,727	109,291	344,477	393,000	-----	-2	+.2	(?)	+.5	+3.3												
October...	2,401,104	771,432	2,918,520	2,244,305	109,142	346,832	403,000	-----	-1	(*)	-1	+.7	+2.6												
November...	2,397,929	773,088	2,926,323	2,251,386	109,098	348,206	413,000	-----	-1	+.3	(?)	+.4	+2.5												
December...	2,394,125	778,832	2,953,135	2,272,096	109,057	350,325	390,000	-----	-2	+.9	(?)	+.6	-3.3												
1958																									
Amount of assistance																									
December...	\$303,323,000	\$157,340,068	\$80,630,305		\$7,500,736	\$20,513,094	\$29,939,000	+3.3	+1.5	+2.4	+0.7	+2.3	+19.4												
1959																									
January...	306,714,000	157,827,831	81,475,458		7,481,605	20,741,887	31,921,000	+1.1	+.3	+1.0	-3	+1.1	+6.6												
February...	308,052,000	156,529,222	82,692,290		7,467,038	20,902,565	32,552,000	+4	-.8	+1.5	-.2	+.8	+2.0												
March ^a ...	310,681,000	156,566,456	83,648,244		7,523,686	21,091,117	33,216,000	+9	+.1	+1.7	+1.1	+1.6	+2.0												
April ^a ...	309,438,000	156,834,503	84,509,504		7,512,199	21,240,340	30,762,000	-4	(?)	+2	-4	+2	-7.4												
May ^a ...	307,265,000	157,332,423	84,732,412		7,578,135	21,632,321	27,731,000	-7	+4	+5	+7	+2.0	-9.9												
June ^a ...	303,051,000	156,713,320	83,161,976		7,556,409	21,496,002	25,465,000	-1.4	-4	-1.6	-1	+2	-8.2												
July...	299,884,000	155,561,621	82,658,813		7,563,706	21,586,726	24,673,000	-1.1	-7	-6	+1	+4	-3.1												
August...	300,728,000	155,474,907	82,469,933		7,554,666	21,686,592	25,719,000	+3	-1	-2	-1	+5	+4.2												
September...	304,707,000	155,909,481	83,445,777		7,541,305	21,945,382	27,345,000	+1.3	+3	+1.2	-2	+1.2	+6.3												
October...	307,959,000	157,581,948	83,768,710		7,535,895	22,237,528	28,599,000	+1.1	+1.1	+4	-1	+1.3	+4.6												
November...	308,636,000	157,126,976	84,187,394		7,547,728	22,265,642	28,737,000	+2	-3	+5	+2	+1	+5												
December...	309,885,000	157,669,195	85,686,971		7,774,967	22,644,000	27,735,000	+4	+3	+1.8	+3.0	+1.7	-3.5												

¹ For definition of terms see the *Bulletin*, October 1957, p. 18. All data subject to revision.² Total exceeds sum of columns because of inclusion of vendor payments for medical care from general assistance funds and from special medical funds; data for such expenditures partly estimated for some States.³ Includes as recipients the children and 1 parent or other adult relative in families in which the requirements of at least 1 such adult were considered in determining the amount of assistance.⁴ Excludes Idaho; data not available.⁵ Increase of less than 0.05 percent.⁶ Except for general assistance, data included for Illinois understated for March, overstated for April, and partly estimated for May because of administrative change in the processing of payments. Percentage changes for the special types of public assistance based on data excluding Illinois.⁷ Decrease of less than 0.05 percent.⁸ Percentage changes for the special types of public assistance based on data excluding Illinois (data not comparable, see footnote 6).

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(Continued from page 2)

ments to recipients of old-age assistance increased or removed such maximums. For the other programs, similar action was taken by smaller proportions of the States with maximums on individual monthly payments.

Old-age assistance recipients numbered 2,394,000 in December 1959—2.5 percent fewer than in December 1958. The number of aged recipients dropped in each month of the year; the average monthly reduction was roughly 5,000. Only six States had higher caseloads in December 1959

than in December 1958. Nationally, 153 out of every 1,000 persons aged 65 or over in the population received old-age assistance in December 1959, compared with 159 per 1,000 a year earlier. The national average payment per aged recipient rose from \$64.08 in December 1958 to \$65.86 in December 1959.

During 1959 the number of persons receiving aid to dependent children in the Nation as a whole dropped only in the summer months, and the end-of-the-year total (2,953,000) was 3.6 percent higher than that in December 1958. From December 1958 to December 1959, the number of recipients rose more than 5.0 percent

in 18 States; relatively smaller increases occurred in 17 States. The average payment per recipient rose from \$28.29 in December 1958 to \$29.02 in December 1959.

In aid to the blind, 109,100 persons received assistance in December 1959, a small decline from the number a year earlier. During the year the national average payment per recipient rose \$3.00 to \$71.29. A large part (\$2.11) of the annual increase occurred in December and resulted mainly from an increase of \$10 in the maximum on individual monthly payments in Pennsylvania.

The number of persons receiving aid to the permanently and totally

Table 15.—Amount of vendor payments for medical care for recipients of public assistance, by program and State, December 1959¹

State	Old-age assistance	Aid to dependent children	Aid to the blind	Aid to the permanently and totally disabled	General assistance
Total	\$23,304,715	\$5,216,078	\$650,771	\$3,909,211	² \$8,375,000
Alabama	<i>1,355</i>	<i>502</i>		<i>714</i>	15
Alaska				(³)	⁴ 44,376
Arkansas	310,489	14,864	9,252	43,811	
California	2,405,380	964,233	128,675	149,939	69,868
Colorado	764,505	37,765	2,223	13,208	96,002
Connecticut	246,914	138,718	4,096	80,167	(⁵)
Delaware			981		
District of Columbia	21,397	331	100	12,486	429
Florida	287,372	15,198	8,126	44,666	
Hawaii	11,129	24,860	533	8,820	
Idaho	38,361		397	3,285	
Illinois	2,268,242	518,835	66,525	410,574	⁴ 705,911
Indiana	547,215	165,528	24,658	(⁶)	⁴ 281,760
Iowa	226,618	61,378	8,562	(⁷)	⁴ 227,232
Kansas	327,735	82,781	6,232	65,145	64,841
Louisiana	243,189	15,259	3,529	50,287	5,583
Maine	119,720	22,980	4,480	22,484	67,991
Maryland	50,200	84,049	1,459	17,209	
Massachusetts	3,547,689	260,634	36,200	603,466	159,093
Michigan	425,802	79,290	8,096	28,518	227,890
Minnesota	1,586,705	207,330	39,902	8,482	244,688
Montana	344	56	352	705	⁴ 199,646
Nebraska	347,076	8,245	28,586	39,362	⁴ 21,165
Nevada	15,804		1,092	(⁸)	⁴ 95,112
New Hampshire	114,611	17,235	4,133	14,817	(⁹)
New Jersey	630,232	39,974	664	134,393	169,625
New Mexico	91,256	57,386	2,616	21,128	15,265
New York	2,913,471	1,174,236	110,563	1,179,074	245,457
North Carolina	107,300	59,822	6,453	63,270	⁴ 217,065
North Dakota	224,293	29,182	923	38,909	⁴ 28,864
Ohio	920,397	218,467	33,601	138,110	⁴ 1,497,564
Oklahoma	595,000	7,593	374	56,000	(¹⁰)
Oregon	465,880	24,359	3,326	92,760	34,477
Pennsylvania	183,515	316,966	49,239	90,825	173,419
Rhode Island	95,774	75,026	912	41,220	⁴ 49,984
South Carolina	70,130	19,605	2,404	22,429	7,794
South Dakota					⁴ 117,755
Tennessee	16,826	21,916	849	1,708	
Utah	23,940		965	11,110	1,551
Virgin Islands	281	130	5	54	105
Virginia	115,782			4,565	⁴ 10,454
Washington	1,396,348	171,047	19,125	210,056	99,178
West Virginia	59,084	79,722	2,649	18,313	⁴ 7,611
Wisconsin	1,459,188	193,359	32,118	135,107	207,740
Wyoming	28,166	7,217	231	4,267	39,864

¹ For the special types of public assistance figures in italics represent payments made without Federal participation. For State programs not shown, no vendor payments were made during the month or such payments were not reported.

² Includes an estimated amount for States making vendor payments for medical care from general assistance funds and from special medical funds and re-

porting these data semiannually but not on a monthly basis.

³ No program for aid to the permanently and totally disabled.

⁴ Includes payments made in behalf of recipients of the special types of public assistance.

⁵ Data not available.

disabled continued to rise in 1959, nationally and in most States. For the country as a whole, 350,300 recipients were on the rolls in December 1959, compared with 327,800 a year earlier. The increase was the smallest recorded for any year since the program was established in 1950. The average payment per recipient rose from \$62.58 in December 1958 to \$64.64 in December 1959.

In general assistance, cases on the rolls at the end of 1959 numbered 399,000 or 8.0 percent fewer than 12 months earlier; the 1,105,000 persons receiving general assistance repre-

sented a decrease of 11.3 percent from December 1958. From February to July the number of persons declined substantially, reflecting improved economic conditions. This decline was followed by a rise to 1,188,000 in November, largely because of the strike in the steel industry. Most of the increase during the steel strike was centered in Indiana, Minnesota, Ohio, and Pennsylvania—the four States most affected. Substantial reductions in the numbers of recipients in these four States, following resumption of work in the steel industry, were responsible for

the contraseasonal decline of 83,000 or 7.0 percent in the national total for December. The average payment per general assistance case in December 1959 was \$69.45, 51 cents higher than the average a year earlier.

(The Bureau of Public Assistance usually prepares semiannual estimates, by program, of the proportion of the population receiving public assistance (recipient rates). Because of the imminence of the 1960 Decennial Census, these recipient rates, by State, have not been prepared as of December 1959.)

Table 16.—Average payment per recipient for all assistance, for money payments, and for vendor payments for medical care, by program and State, December 1959¹

State	Old-age assistance			Aid to dependent children (per recipient)			Aid to the blind			Aid to the permanently and totally disabled		
	All assistance ²	Money payments to recipients ³	Vendor payments for medical care ²	All assistance ²	Money payments to recipients ³	Vendor payments for medical care ²	All assistance ²	Money payments to recipients ³	Vendor payments for medical care ²	All assistance ²	Money payments to recipients ³	Vendor payments for medical care ²
All States	\$65.86	\$56.70	\$0.73	\$29.02	\$27.32	\$1.77	\$71.20	\$65.50	\$6.05	\$64.64	\$54.15	\$11.16
Alabama	48.08	48.07	.01	8.93	8.93	.01	37.64	37.64	—	35.35	35.30	.06
Alaska	64.05	64.05	—	32.69	32.69	—	71.50	71.50	—	(*)	(*)	(*)
Arizona	61.88	61.88	—	29.86	29.86	—	72.48	72.48	—	(*)	(*)	(*)
Arkansas	48.45	42.90	5.57	15.37	14.82	.55	53.32	48.76	4.56	36.45	30.30	6.16
California	84.69	75.92	9.32	45.84	42.24	3.78	103.64	95.36	9.17	92.04	76.46	19.60
Colorado	97.20	82.35	14.85	33.02	31.64	1.38	77.24	69.63	7.61	67.76	65.40	2.37
Connecticut	110.70	95.28	16.68	47.14	41.71	5.68	99.60	86.23	13.65	127.62	91.57	36.51
Delaware	49.44	49.44	—	23.05	23.05	—	69.35	65.50	3.85	65.42	65.42	—
District of Columbia	63.62	59.24	6.78	33.37	33.35	.02	69.00	68.58	.43	74.86	71.87	4.70
Florida	54.13	50.25	4.09	16.40	16.25	.15	59.85	56.80	3.19	60.64	56.13	5.09
Georgia	47.25	47.25	—	23.71	23.71	—	52.39	52.39	—	51.84	51.84	—
Guam	25.42	25.42	—	11.63	11.63	—	(*)	(*)	—	(*)	(*)	—
Hawaii	62.13	54.55	7.59	33.60	31.03	2.57	65.93	59.58	6.35	76.66	68.40	8.26
Idaho	66.58	61.46	5.15	40.66	40.66	—	69.75	67.47	2.28	71.73	68.48	3.25
Illinois	73.52	46.19	29.90	39.30	35.73	3.60	81.55	61.03	21.83	81.85	60.33	22.91
Indiana	62.19	44.16	19.18	28.72	25.17	3.98	71.16	59.44	13.12	(*)	(*)	(*)
Iowa	73.43	67.99	6.46	35.87	34.52	1.91	87.13	82.74	5.93	(*)	(*)	(*)
Kansas	78.59	68.01	11.27	36.03	32.66	3.66	83.84	74.30	10.28	84.74	70.19	15.53
Kentucky	44.93	44.93	—	20.20	20.20	—	43.61	43.61	—	44.19	44.19	—
Louisiana	66.16	64.25	1.95	22.04	21.90	.15	75.79	74.61	1.32	53.95	50.95	3.17
Maine	63.77	53.78	10.00	27.28	26.15	1.13	68.42	58.42	10.00	60.74	58.74	11.00
Maryland	60.25	55.02	5.23	28.94	26.73	2.21	65.15	61.95	3.20	65.06	62.18	2.88
Massachusetts	102.63	59.71	43.82	46.71	41.46	5.47	125.26	110.81	16.52	122.49	66.65	59.93
Michigan	71.62	64.87	6.75	38.29	37.44	.85	77.10	72.55	4.56	85.83	79.46	6.38
Minnesota	87.15	55.17	33.34	45.26	39.42	6.24	102.93	68.08	36.41	61.12	58.24	3.69
Mississippi	29.83	29.83	—	10.70	10.70	—	38.45	38.45	—	30.16	30.16	—
Missouri	58.22	59.22	—	23.94	23.94	—	65.00	65.00	—	61.24	61.24	—
Montana	63.78	63.73	.05	33.39	33.38	.01	71.77	70.81	.96	72.12	71.61	.51
Nebraska	69.96	47.84	22.58	29.60	28.93	.77	86.68	55.14	31.98	73.90	51.08	23.01
Nevada	70.29	64.32	5.97	26.88	26.88	—	98.61	92.48	6.13	(*)	(*)	(*)
New Hampshire	83.41	60.48	22.97	41.70	37.42	4.41	84.34	67.26	17.08	96.80	61.01	35.79
New Jersey	88.55	61.31	33.27	45.35	44.65	.91	82.90	82.81	.70	94.43	76.03	21.18
New Mexico	67.39	58.84	8.55	30.36	28.29	2.06	63.60	56.84	6.76	66.20	57.34	8.87
New York	107.02	75.92	34.59	43.81	39.58	4.54	111.23	85.62	28.02	104.33	75.35	31.96
North Carolina	42.50	40.33	2.17	19.64	19.06	.58	53.32	52.14	1.26	46.88	43.40	3.48
North Dakota	86.59	58.58	30.75	38.97	35.39	4.33	74.16	66.86	9.32	94.21	63.28	34.46
Ohio	73.34	64.14	10.29	29.80	27.58	2.25	67.27	58.12	9.32	71.80	60.12	12.06
Oklahoma	72.17	65.62	6.55	31.86	31.74	.12	83.55	83.35	.20	81.05	74.93	6.12
Oregon	77.78	52.90	26.82	38.66	37.83	1.21	85.21	73.58	12.46	85.05	68.56	19.26
Pennsylvania	68.04	64.41	3.63	31.60	29.93	1.68	74.12	71.31	2.81	60.28	54.83	5.45
Puerto Rico	8.20	8.20	—	3.95	3.95	—	8.21	8.21	—	8.72	8.72	—
Rhode Island	77.66	63.70	14.00	36.18	31.43	4.75	77.62	69.62	8.00	82.45	67.45	15.00
South Carolina	39.82	37.73	2.11	14.53	14.01	.52	43.67	42.27	1.40	43.31	40.42	2.92
South Dakota	60.42	60.42	—	32.93	32.93	—	61.12	61.12	—	62.33	62.33	—
Tennessee	41.48	41.18	.30	18.79	18.51	.27	46.52	46.22	.30	44.63	44.43	.20
Texas	52.99	52.99	—	17.01	17.01	—	58.06	58.06	—	54.13	54.13	—
Utah	66.39	63.41	2.98	34.17	34.17	—	73.68	68.70	4.97	74.07	69.19	4.89
Vermont	57.61	57.61	—	30.27	30.27	—	60.89	60.89	—	60.22	60.22	—
Virgin Islands	23.56	23.10	.50	14.16	13.99	.17	(*)	(*)	—	25.61	25.10	.50
Virginia	43.29	37.62	7.70	20.59	20.59	—	53.23	50.50	3.72	48.89	44.96	5.28
Washington	85.25	60.51	27.80	45.04	40.60	4.47	96.35	72.70	26.02	98.45	68.97	32.48
West Virginia	36.92	33.97	2.96	24.15	23.14	1.01	41.03	38.46	2.57	40.05	37.50	2.55
Wisconsin	80.45	42.24	40.58	45.48	40.71	5.85	85.49	54.78	32.31	101.34	42.35	61.58
Wyoming	69.79	61.44	8.35	37.10	34.43	2.67	68.22	64.82	3.40	70.73	62.72	8.01

¹ Averages for general assistance not computed because of difference among States in policy or practice regarding use of general assistance funds to pay medical bills for recipients of the special types of public assistance. Figures in italics represent payments made without Federal participation.

² Averages based on cases receiving money payments, vendor payments for medical care, or both.

³ May also include small amounts for assistance in kind and vendor payments for other than medical care. Averages based on number of cases receiving money payments.

⁴ No program for aid to the permanently and totally disabled.

⁵ Average payment not computed on base of fewer than 50 recipients.

Table 17.—Old-age assistance: Recipients and payments to recipients, by State, December 1959¹

[Includes vendor payments for medical care and cases receiving only such payments]

State	Number of recipients	Payments to recipients		Percentage change from—			
		Total amount	Average	November 1959		December 1958	
				Number	Amount	Number	Amount
Total ²	2,394,125	\$157,609,195	\$65.86	-0.2	+0.3	-2.5	+0.2
Ala.	99,444	4,781,360	48.08	-2	-1	-2.7	+6.9
Alaska	1,466	393,901	64.05	-1	+5	-1.6	+3.1
Ariz.	13,998	866,129	61.88	+1	-2	-6	+11.2
Ark.	55,778	2,702,198	48.45	-4	-1	-1.2	-2
Calif. ³	258,061	21,854,340	84.69	-2	-1.7	-2.7	-2.9
Colo. ⁴	51,498	5,005,456	97.20	-1	-6	-1.4	-1.0
Conn.	14,806	1,639,081	110.70	+2.0	+9	-3.1	-3.8
Del.	1,350	66,745	49.44	-1.4	-1.2	-10.9	-10.9
D. C.	3,154	200,659	63.62	(4)	-3	+4	+5.8
Fla.	70,199	3,799,727	54.13	+3	+1.1	+1	+2.2
Ga.	97,768	4,619,978	47.25	-1	-1	-8	-2.8
Guam	50	1,271	25.42	(4)	(4)	(4)	(4)
Hawaii	1,467	91,152	62.13	-1.3	-9	-2.5	+4.1
Idaho	7,449	495,955	66.58	+4	+1.1	-4.9	-2.9
Ill.	75,860	5,577,330	73.52	-3	-3	-5.9	+2.6
Ind.	28,528	1,774,021	62.19	-4	+2.4	-6.6	-1.5
Iowa	35,065	2,574,916	73.43	-7	-6	-3.9	-4.1
Kans.	29,085	2,285,898	78.59	-2	+1.1	-4.3	-3.3
Ky.	56,997	2,560,681	44.93	(7)	(4)	-6	+1.7
La.	124,743	8,252,422	66.16	(4)	+1	+1	-8
Maine	11,972	763,472	63.77	(4)	-1	-1.5	+7.8
Md.	9,600	578,429	60.25	-1	+1	-1.9	+4.7
Mass.	80,967	8,309,886	102.63	-1	+1.8	-3.8	+2.9
Mich.	63,123	4,520,902	71.62	-4	-2	-5.2	-3.7
Minn.	47,597	4,147,897	87.15	-1	+3.3	-2.7	+2
Miss.	80,517	2,401,761	29.83	-2	-1	-1.2	-3
Mo.	118,082	6,992,736	58.22	(4)	-3.0	+1.7	-4.6
Mont.	7,094	452,461	63.78	-2	-8	-7.6	-4.6
Nebr.	15,370	1,075,287	69.96	-6	+2	-4.9	+2.4
Nev.	2,647	186,052	70.26	+3	+8	+1.1	+3.6
N. H.	4,990	416,210	83.41	-2	-3.0	-4.0	+12.4
N. J.	18,942	1,677,361	88.55	-2	-5	-1.9	+3.1
N. Mex.	10,668	718,938	67.39	+3	+1.8	+9.4	-
N. Y.	84,229	9,014,044	107.02	+4	+5.1	-4.5	+3.2
N. C.	49,447	2,101,501	42.50	-6	-2	-2.6	+5.5
N. Dak.	7,293	631,517	86.59	-2	-2	-3.4	+4.9
Ohio	89,416	6,558,134	73.34	-3	+5	-2.4	+8.2
Oklahoma	90,812	6,554,274	72.17	-1	+1.9	-1.9	-2.9
Oreg.	17,373	1,351,225	77.78	-1	+1.4	-4.8	-7.9
Pa.	50,495	3,435,654	68.04	-1	-7	+3.0	+3.9
P. R.	39,792	326,475	8.20	-2	-1	-1.7	-1.0
R. I.	6,841	531,303	77.66	(4)	+9	-4.6	+1.2
S. C.	33,206	1,322,178	39.82	-4	+2.3	-4.8	-8
S. Dak.	9,100	549,805	60.42	-1	+3	-5.0	+10.3
Tenn.	56,086	2,326,442	41.48	-3	-3	-1.6	-7.2
Tex.	222,777	11,804,714	52.99	(4)	-1	-8	+1.4
Utah	8,030	533,143	66.39	-5	+3	-5.8	-5.0
Vt.	5,768	332,311	57.61	-2	-2	-4.2	+7.8
V. I.	561	13,216	23.56	-5	-1	-6.2	-5.8
Va.	15,033	650,754	43.29	-1	+4	-3.3	+9.4
Wash.	50,230	4,282,296	85.25	-5	+6	-7.6	-11.9
W. Va.	19,971	737,416	36.92	-3	-1	-5.8	-2.8
Wis.	35,957	2,892,767	80.45	-1.1	+3	-4.7	+9.0
Wyo.	3,373	235,414	60.79	-5	-6	-6.5	-9.2

¹ For definition of terms see the *Bulletin*, October 1957, p. 18. All data subject to revision.

² Includes 3,807 recipients aged 60-64 in Colorado and payments of \$335,598 to these recipients. Such payments were made without Federal participation.

³ In addition, supplemental payments of \$14,792 from general assistance funds were made to 66 recipients.

⁴ Decrease of less than 0.05 percent.

⁵ Percentage change not computed on base of fewer than 100 recipients.

⁶ Program initiated July 1959 under the Social Security Act amendments of 1958.

⁷ Increase of less than 0.05 percent.

Table 18.—Aid to the blind: Recipients and payments to recipients, by State, December 1959¹

[Includes vendor payments for medical care and cases receiving only such payments]

State	Number of recipients	Payments to recipients		Percentage change from—			
		Total amount	Average	November 1959		December 1958	
				Number	Amount	Number	Amount
Total ²	109,057	\$7,774,967	\$71.29	(3)	+3.0	-0.7	+3.7
Ala.	1,635	61,536	37.64	+0.3	+7	-1.2	+7.1
Alaska	101	7,222	71.50	+1.0	+1.4	(4)	(4)
Ariz.	840	60,884	72.48	+4	+1.9	+3.4	+15.1
Ark.	2,029	108,180	53.32	(3)	-1.1	-9	-1.0
Calif. ³	14,030	1,454,078	103.64	(3)	+1.1	-5	-1.1
Colo.	292	22,555	77.24	-3	-9	-7.3	-6.1
Conn.	300	29,880	99.60	-1.0	-14.8	-5.7	-5.4
Del.	255	17,883	69.35	-8	-2.9	-5.2	-6.7
D. C.	235	16,216	69.00	+4	+5	-2.1	-1.2
Fla.	2,550	152,614	59.85	-3	+1.4	(3)	+3.1
Ga.	3,539	185,422	52.39	-3	-3	+3	-9
Guam	4	70	(4)	(4)	(4)	(4)	(4)
Hawaii	84	5,538	65.93	(4)	(4)	(4)	(4)
Idaho	174	12,136	69.75	+1.8	+3.2	-2.8	-2.8
Ill.	3,048	248,565	81.55	-7	-1.2	-5.5	-2.2
Ind.	1,880	133,785	71.16	+5	+1.0	-3.0	+2
Iowa	1,443	125,724	87.13	+2	-1.0	-1.9	-3.2
Kans.	606	50,809	83.84	+1.3	+4.4	-3.5	-4.9
Ky.	2,949	128,596	43.61	-1.1	-1.2	-8.6	-9.7
La.	2,664	201,908	75.79	+6	+9	+3.6	+3.1
Maine	448	30,650	68.42	-2	-3	-4.1	+2.7
Md.	456	29,708	65.15	+9	+1.1	-7	+5.9
Mass.	2,191	274,448	125.26	+1.4	+12.2	+5.4	+12.3
Mich.	1,777	137,014	77.10	-7	-4	-2.3	(3)
Minn.	1,096	112,811	102.93	+4	+4.0	-2.8	+7.9
Miss.	6,327	243,269	38.45	(3)	(3)	+9.7	+9.3
Mo. ⁴	5,194	337,610	65.00	(3)	(3)	-8	+7.5
Mont.	367	26,340	71.77	-1.3	-3.8	-4.7	-4.0
Nebr.	894	77,493	86.68	-6	+2.8	-6.6	+9
Nev.	178	17,553	98.61	-2.2	-2.0	+6.6	+5.7
N. H.	242	20,411	84.34	-1.2	-8.8	-1.6	+11.4
N. J.	942	78,093	82.90	-5	-2.5	+1.6	+7.2
N. Mex.	387	24,613	63.60	+5	+5	+1.8	+8
N. Y.	3,946	438,897	111.23	+2	+3.4	-3.8	+1.3
N. C.	5,115	272,715	53.32	+4	-5	+2.3	+5.6
N. Dak.	99	7,342	74.16	-2.0	+2	-2.9	+3.4
Ohio	3,605	242,498	67.27	-4	+4.6	-3.2	(3)
Oklahoma	1,884	157,401	83.55	0	(3)	-3	-6.8
Oreg.	267	22,752	85.21	+2.3	+4.7	-7.6	-7.2
Pa. ⁵	17,525	1,298,978	74.12	-1	+15.4	-1.1	+16.7
P. R.	1,880	15,435	8.21	-1	-1	+3.5	+5.8
R. I.	114	8,849	77.62	-9	-2.0	-14.3	-5.5
S. C.	1,714	74,849	43.67	+3	+1.4	-3.2	-1
S. Dak.	164	10,024	61.12	-1.2	-6	-8.9	+7.4
Tenn.	2,829	131,618	46.52	-4	-2	-1.8	-4.2
Tex.	6,356	369,170	58.05	(3)	(3)	-1.0	+2.5
Utah	194	14,293	73.68	-1.5	-1.5	-8.1	-3.2
Vt.	135	8,220	60.89	-7	-1.8	-6.2	+10.4
V. I.	19	496	(4)	(4)	(4)	(4)	(4)
Va.	1,227	65,317	53.23	+6	+1.6	+7	+18.7
Wash.	735	70,817	96.35	+4	-2	-2.0	-5.7
W. Va.	1,030	42,263	41.03	+1	+5	-4.2	-3.3
Wis.	994	84,980	85.49	-4	+2.3	-4.0	+8.5
Wyo.	68	4,639	68.22	(3)	(3)	(3)	(3)

¹ For definition of terms see the *Bulletin*, October 1957, p. 18. All data subject to revision.

² Data include recipients of payments made without Federal participation and payments to these recipients as follows: California, \$32,973 to 295 recipients; Missouri, \$50,149 to 766 recipients; and Pennsylvania, \$816,790 to 11,180 recipients.

³ Decrease of less than 0.05 percent.

⁴ Average payment not computed on base of fewer than 50 recipients; percentage change, on fewer than 100 recipients.

⁵ Increase of less than 0.05 percent.

⁶ Program initiated July 1959 under the Social Security Act amendments of 1958.

⁷ Decrease of less than 0.05 percent.

Table 19.—Aid to dependent children: Recipients and payments to recipients, by State, December 1959¹

[Includes vendor payments for medical care and cases receiving only such payments]

State	Number of families	Number of recipients		Payments to recipients			Percentage change from—			
		Total ²	Children	Total amount	Average per—		Number of recipients	November 1959 in—	December 1958 in—	
					Family	Recipient				
Total.....	778,832	2,953,135	2,272,096	\$85,686,971	\$110.02	\$29.02	+0.9	+1.8	+3.6	+6.3
Alabama.....	21,567	86,026	67,197	768,301	35.62	8.93	+.3	+.2	-5.0	+20.7
Alaska.....	1,174	4,005	2,997	130,919	111.52	32.69	+3.6	+3.8	-2.3	+10.9
Arizona.....	7,053	27,905	21,545	833,173	118.13	29.86	+1.4	+1.3	+13.6	+30.0
Arkansas.....	7,139	26,894	21,103	413,310	57.89	15.37	+4.9	+3.4	-8.8	-10.4
California.....	71,616	255,239	199,363	11,700,415	163.38	45.84	+1.6	+2.6	+5.2	+5.2
Colorado.....	7,073	27,404	21,481	904,906	127.94	33.02	+1.5	+1.3	+1.5	+4.6
Connecticut.....	7,372	24,420	18,244	1,151,127	156.15	47.14	+2.0	+1.2	+7.1	+1.8
Delaware.....	1,642	6,236	4,833	143,757	87.55	23.05	+.9	+18.2	-7	-2.3
District of Columbia.....	4,091	18,132	14,329	605,082	147.91	33.37	+2.7	+2.2	+16.0	+15.7
Florida.....	26,928	98,721	76,805	1,619,434	60.14	16.40	-.7	-.2	+1.1	+2.0
Georgia.....	15,480	57,492	44,373	1,363,416	88.08	23.71	+2.2	+2.1	-5.2	-0.1
Guam.....	86	500	421	5,814	67.60	11.63	-6.7	+6.1	(*)	(*)
Hawaii.....	2,473	9,656	7,664	324,457	131.20	33.60	+.6	+.2	-3.6	-7.4
Idaho.....	1,986	7,341	5,416	298,468	150.29	40.66	+4.5	+4.5	+3.6	+4.8
Illinois.....	34,933	144,254	111,221	5,668,652	162.27	39.30	+.2	+.3	+6.6	+9.1
Indiana.....	11,380	41,578	31,313	1,194,169	104.94	28.72	+1	+3.9	+.9	+2.1
Iowa.....	8,678	32,106	24,211	1,151,579	132.70	35.87	+2	+.3	+4.6	+8.4
Kansas.....	5,971	22,631	17,776	815,384	136.56	36.03	+1.1	+1.2	+7.8	+9.4
Kentucky.....	20,520	73,491	55,194	1,484,513	72.34	20.20	+1.1	+1.1	-2.5	-2.2
Louisiana.....	24,427	100,024	77,608	2,204,087	90.23	22.04	+1.5	+2.4	+1.1	+.6
Maine.....	5,745	20,285	14,971	553,412	96.33	27.28	+1.4	+1.3	+7.0	+10.0
Maryland.....	9,159	37,962	29,704	1,098,663	119.95	28.94	+2.1	+2.1	+15.8	+23.1
Massachusetts.....	14,197	47,673	35,719	2,226,765	156.85	46.71	+.6	+2.7	+1.3	+2.1
Michigan.....	26,331	93,380	68,484	3,575,332	135.78	38.29	(*)	+1	+4	+5.9
Minnesota.....	9,653	33,234	25,861	1,504,206	155.83	45.26	+1	+2.5	+5.1	+7.9
Mississippi.....	19,234	74,561	58,576	797,489	41.46	10.70	+4	+5	+12.3	+13.2
Missouri.....	25,999	98,852	74,932	2,366,658	91.03	23.94	+1.0	+1.0	+4.9	+13.2
Montana.....	1,874	6,973	5,469	232,796	124.22	33.39	+.9	+1.4	-5.5	-4.2
Nebraska.....	2,805	10,729	8,234	317,611	113.23	29.60	+.6	+.7	-3	+7.8
Nevada.....	1,060	3,547	2,752	95,348	89.95	26.88	+1.3	+.8	+11.9	+11.9
New Hampshire.....	1,035	3,907	2,949	163,254	157.73	41.79	+.2	+1.5	-3.3	-1.6
New Jersey.....	12,922	44,064	33,502	1,998,507	154.66	45.35	+5.0	+4.4	+34.4	+40.2
New Mexico.....	7,254	27,798	21,336	843,928	116.34	30.36	+1.2	+1.7	+4.0	+1.0
New York.....	65,713	258,709	195,395	11,333,351	172.47	43.81	+1.1	+4.1	-4	+3.3
North Carolina.....	26,029	103,142	79,595	2,025,736	77.83	19.64	+2.1	+2.0	+3.2	+7.9
North Dakota.....	1,795	6,747	5,251	262,955	146.49	38.97	+1.7	+3.0	+6.2	+7.1
Ohio.....	24,728	97,098	74,528	2,893,800	117.03	29.80	+.7	+1.9	+6.7	+8.9
Oklahoma.....	17,515	61,533	46,695	1,960,462	111.93	31.86	+1.6	+1.7	+4.8	+12.3
Oregon.....	5,548	20,125	15,248	778,037	140.24	38.66	+2.4	+3.0	-1.3	-3.7
Pennsylvania.....	47,946	188,900	143,664	5,969,854	124.51	31.60	-.8	-2.0	+13.0	+17.1
Puerto Rico.....	54,843	207,026	166,308	816,724	14.89	3.95	+1.0	.3	+13.7	+21.3
Rhode Island.....	4,352	15,795	11,886	571,528	131.33	36.18	-.5	+.5	-1.2	+1.5
South Carolina.....	9,412	37,530	29,592	545,293	57.94	14.53	-1	+1.4	-1.9	+1.6
South Dakota.....	3,086	10,634	8,001	350,190	113.48	32.93	+.6	+1.9	-.2	+19.2
Tennessee.....	21,916	80,558	60,997	1,518,942	69.31	18.79	+.5	+5.8	+4.2	+2.0
Texas.....	21,621	89,831	68,570	1,528,147	70.68	17.01	-.6	-.6	-14.1	-11.5
Utah.....	3,461	12,364	9,241	422,425	122.05	34.17	+.2	+1.5	+2.6	-5.2
Vermont.....	1,234	4,419	3,325	133,750	108.39	30.27	-.1	-.4	+7.8	+22.0
Virgin Islands.....	217	760	633	10,763	49.60	14.16	+1.5	+.6	-2.3	+10.3
Virginia.....	9,303	37,393	29,417	770,000	82.77	20.59	+1.6	+1.4	+.2	+9.0
Washington.....	11,018	38,281	29,232	1,724,270	156.50	45.04	+4.2	+1.8	-8.3	-9.4
West Virginia.....	20,448	79,237	61,754	1,913,381	93.57	24.15	+.5	+.4	+2.2	+4.8
Wisconsin.....	9,038	33,027	25,120	1,502,034	166.19	45.48	+.4	+1.8	+2.5	+3.4
Wyoming.....	752	2,706	2,061	100,397	133.51	37.10	-.5	+.9	+5.1	+4.4

¹ For definition of terms see the *Bulletin*, October 1957, p. 18. All data subject to revision.

² Includes as recipients the children and 1 parent or other adult relative in families in which the requirements of at least 1 such adult were considered in

determining the amount of assistance.

³ Program initiated July 1959 under the Social Security Act amendments of 1958.

⁴ Decrease of less than 0.05 percent.

Table 20.—Aid to the permanently and totally disabled: Recipients and payments to recipients, by State, December 1959¹

[Includes vendor payments for medical care and cases receiving only such payments]

State	Number of recipients	Payments to recipients		Percentage change from—			
		Total amount	Average	November 1959 in—		December 1958 in—	
				Number	Amount	Number	Amount
Total	350,325	\$22,644,000	\$64.64	+0.6	+1.7	+6.9	+10.4
Ala.	12,385	437,860	35.35	-.1	+2.2	-3.6	+4.6
Ark.	7,113	259,272	36.45	-.2	-9.0	+9.9	+1.2
Calif.	7,651	704,163	92.04	+2.2	+1.9	+55.6	+88.0
Colo.	5,582	375,253	67.76	-.1	-3.3	+1.7	+14.1
Conn.	2,196	280,251	127.62	+.6	-4.6	+3.8	+2.9
Del.	378	24,730	65.42	+.5	+1.1	+23.1	+24.6
D. C.	2,659	199,062	74.86	+.5	+3.3	+7.3	+12.4
Fla.	8,776	532,199	60.64	+1.4	+2.0	+23.7	+30.0
Ga.	20,373	1,056,118	51.84	+1.1	+9.9	+19.4	+19.2
Guam	41	956	(*)	(*)	(*)	(*)	(*)
Hawaii	1,068	81,874	76.66	+2.3	+2.4	-2.5	+5.7
Idaho	1,010	72,450	71.73	+1.1	+2.1	+6.4	+9.0
Ill.	17,922	1,466,954	81.85	+.5	+8.8	-2.1	-3.9
Kans.	4,194	355,386	84.74	+2	+1.9	-2.9	+3.3
Ky.	7,878	348,142	44.19	+3	+4.3	+4.4	+7
La.	15,882	856,777	53.95	+.8	+9	+4.1	+4.3
Maine	2,044	142,546	69.74	+2.6	+2.6	+24.7	+33.1
Md.	5,966	388,175	65.06	+.7	+6.6	+9.9	+11.3
Mass.	10,069	1,233,341	122.49	+1	+4.0	+2.3	+11.5
Mich.	4,473	383,939	85.83	+.7	+7	+14.7	+15.8
Minn.	2,298	140,453	61.12	+.2	+1.1	+10.3	+9.8
Miss.	10,477	316,015	30.16	+2.5	+2.6	+48.6	+51.5
Mo.	15,520	950,463	61.24	-.4	-2.2	+2.1	+7.5
Mont.	1,392	100,388	72.12	-2.1	-1.0	-6.5	-4.7
Nebr.	1,711	126,451	73.90	+3.1	+10.9	+13.5	+23.6
N. H.	414	40,075	96.80	-2.1	-2.7	+13.1	+26.5
N. J.	6,344	599,069	94.43	+.8	+1.1	+13.1	+16.5
N. Mex.	2,383	157,766	66.20	+1.0	+1.4	+10.5	+9.6
N. Y.	36,896	3,849,339	104.33	+.2	+3.9	-5.1	+.5
N. C.	18,181	852,348	46.88	+.1	+.3	+6.8	+9.9
N. Dak.	1,129	106,363	94.21	+1.2	+1.7	+9.2	+15.2
Ohio	11,454	822,396	71.80	+.8	+4.8	+12.4	+19.2
Oklahoma	9,148	741,431	81.05	+.4	+6.6	+4.1	+3.9
Oreg.	4,815	409,519	85.05	-.2	+8	-1.4	-2.8
Pa.	16,671	1,004,849	60.28	+.7	(*)	+7.9	+11.2
P. R.	22,200	193,668	8.72	+.4	+.3	+4.1	+4.5
R. I.	2,748	226,582	82.45	+1.1	+9	+7.9	+12.2
S. C.	7,673	332,326	43.31	-.4	+2.8	-2.1	+21.5
S. Dak.	1,127	70,244	62.33	+1.4	+1.8	+10.4	+31.1
Tenn.	8,539	381,126	44.63	+1.3	+1.4	+22.8	+24.1
Tex.	5,788	313,283	54.13	+1.8	+1.8	+37.1	+43.3
Utah	2,273	168,369	74.07	+.5	+6.6	+10.9	+16.2
Vt.	860	51,787	60.22	+.6	+3	+13.6	+27.8
V. I.	107	2,740	25.61	0	-.1	+3.9	+3.0
Va.	6,128	299,594	48.89	(*)	-2	+4.2	+16.8
Wash.	6,468	630,781	98.45	+.3	+1.1	+6.4	+4.2
W. Va.	7,194	288,084	40.05	-.5	-5	-4.5	-1.7
Wis.	2,194	222,344	101.34	+13.4	+11.9	+71.8	+82.5
Wyo.	533	37,699	70.73	+.4	+.7	+2.1	-.9

¹ For definition of terms see the *Bulletin*, October 1957, p. 18. All data subject to revision.

² Average payment not computed on base of fewer than 50 recipients; percentage change, on fewer than 100 recipients.

³ Program initiated July 1959 under the Social Security Act amendments of 1958.

⁴ Increase of less than 0.05 percent.

⁵ Decrease of less than 0.05 percent.

Table 21.—General assistance: Cases and payments to cases, by State, December 1959¹

[Excludes vendor payments for medical care and cases receiving only such payments]

State	Number of cases	Payments to cases		Percentage change from—			
		Total amount	Average	November 1959 in—		December 1958 in—	
				Number	Amount	Number	Amount
Total ²	399,000	\$27,735,000	\$69.44	-3.3	-3.5	-8.0	-7.4
Ala.	94	1,174	12.49	(*)	(*)	(*)	(*)
Alaska	242	16,440	67.93	+22.2	+17.8	+7.1	+14.0
Ariz.	3,156	144,928	45.92	+2.0	+1.2	+17.1	+26.1
Ark.	378	5,825	15.41	+18.1	+19.8	-6.9	+12.1
Calif.	34,788	2,072,168	59.57	+5.3	+8.2	-4.2	+1.4
Colo.	1,724	82,050	47.59	+34.4	+50.1	-15.4	-12.9
Conn.	4,568	4,326,500	71.48	+6.8	+4.1	-19.9	-24.4
Del.	1,706	107,000	62.72	+6.1	+5.1	-9.6	-7.8
D. C.	1,467	106,812	72.81	+5.2	+4.7	+13.2	+13.7
Fla. ³	9,000	304,000					
Ga.	2,725	67,964	24.94	+30.1	+24.1	-.1	-1.8
Guam	1	22	(*)	(*)	(*)	(*)	(*)
Hawaii	1,144	83,723	73.18	0	+.7	-9.9	-9.8
Ill.	46,011	4,327,510	94.05	+.6	+4.8	+6.1	+15.8
Ind. ⁴	20,020	702,497	35.09	-25.7	-31.4	-25.4	-30.4
Iowa	4,187	163,356	39.02	+4.4	+10.7	-3.9	-3.7
Kans.	2,278	149,994	65.84	+10.2	+11.8	+1.2	+3.9
Ky.	2,159	65,020	30.12	+7.4	+3.1	-26.8	-39.2
La.	8,689	426,035	49.03	+.2	+4.4	-14.8	-12.6
Maine	2,874	123,953	43.13	+18.9	+33.9	-14.6	-21.6
Md.	3,036	195,374	64.35	+8.2	+9.4	+5.2	+10.8
Mass.	8,506	660,452	77.65	+8.0	+21.3	-13.0	-13.8
Mich.	33,883	3,528,479	104.14	+4.4	+7.2	-27.1	-27.8
Minn.	8,995	665,640	74.00	-19.8	-24.6	+3.0	+6
Miss.	1,127	16,965	15.05	+2.3	+1.2	+16.8	+23.4
Mo.	8,534	508,874	59.63	+1.9	+2.9	+9.0	+2.6
Mont.	3,208	165,808	51.69	+5.3	-18.4	+119.4	+151.2
Nebr.	1,096	52,849	48.22	+2.0	+6	-18.6	-7.7
Nev.	316	9,157	28.98	+18.8	+1.4	(*)	(*)
N. H.	924	47,547	51.46	+13.2	+22.1	-29.5	-35.3
N. J. ⁵	9,667	992,744	102.69	+6.3	+9.5	-19.0	-16.3
N. Mex.	562	23,605	42.00	+6.8	+2.8	-2.4	+1.9
N. Y.	* 36,742	3,523,903	95.91	+5.7	+9.0	-5.7	-3.2
N. C.	2,070	47,190	22.80	+11.3	+4.5	-13.7	-12.5
N. Dak.	669	37,546	56.12	+40.0	+53.7	+8.4	+9.2
Ohio	35,263	2,491,715	70.66	-15.2	-10.0	-13.0	-13.9
Okla.	7,244	107,173	14.79	+3.0	+11.2	-9	-7.9
Oreg.	3,337	202,015	60.54	+40.2	+56.6	-35.4	-45.8
Pa.	42,412	2,964,316	69.89	-21.9	-39.0	+26.1	+26.9
P. R.	1,638	11,880	7.25	+10.5	+17.0	+1.9	+11.9
R. I.	3,057	220,637	72.17	+8.0	+12.9	-15.1	-19.2
S. C.	1,329	41,236	31.03	+1.0	+3.1	+2.0	+37.7
S. Dak.	414	14,218	34.34	+18.6	+30.9	-58.3	-60.2
Tenn.	2,185	34,023	15.57	+19.5	+17.1	-3.0	-23.9
Tex. ⁶	8,300	235,000					
Utah	2,524	214,538	85.00	+16.5	+32.5	+13.3	+26.0
Vt. ⁷	1,500	61,000					
V. I.	101	2,355	23.32	+1.0	+5	-20.5	-19.9
Va.	2,055	84,399	41.07	+2.2	+7.6	+7.7	+18.2
Wash.	12,453	985,987	70.14	+14.0	+28.9	-25.3	-22.8
W. Va.	2,445	77,598	31.74	+1.7	+6	-18.3	-22.0
Wls.	8,057	664,112	82.43	+8.7	+10.9	-27.7	-32.8
Wyo.	517	31,329	60.60	+15.1	+18.1	-22.6	-25.1

¹ For definition of terms see the *Bulletin*, October 1957, p. 18. All data subject to revision.

² Partly estimated; does not represent sum of State figures because total excludes for Indiana and New Jersey an estimated number of cases receiving medical care, hospitalization, and burial only, and total payments for these services. Excludes Idaho; data not available.

³ Average payment not computed on base of fewer than 50 cases; percentage change, on fewer than 100 cases.

⁴ About 9 percent of this total is estimated.

⁵ Partly estimated.

⁶ Program initiated July 1959.

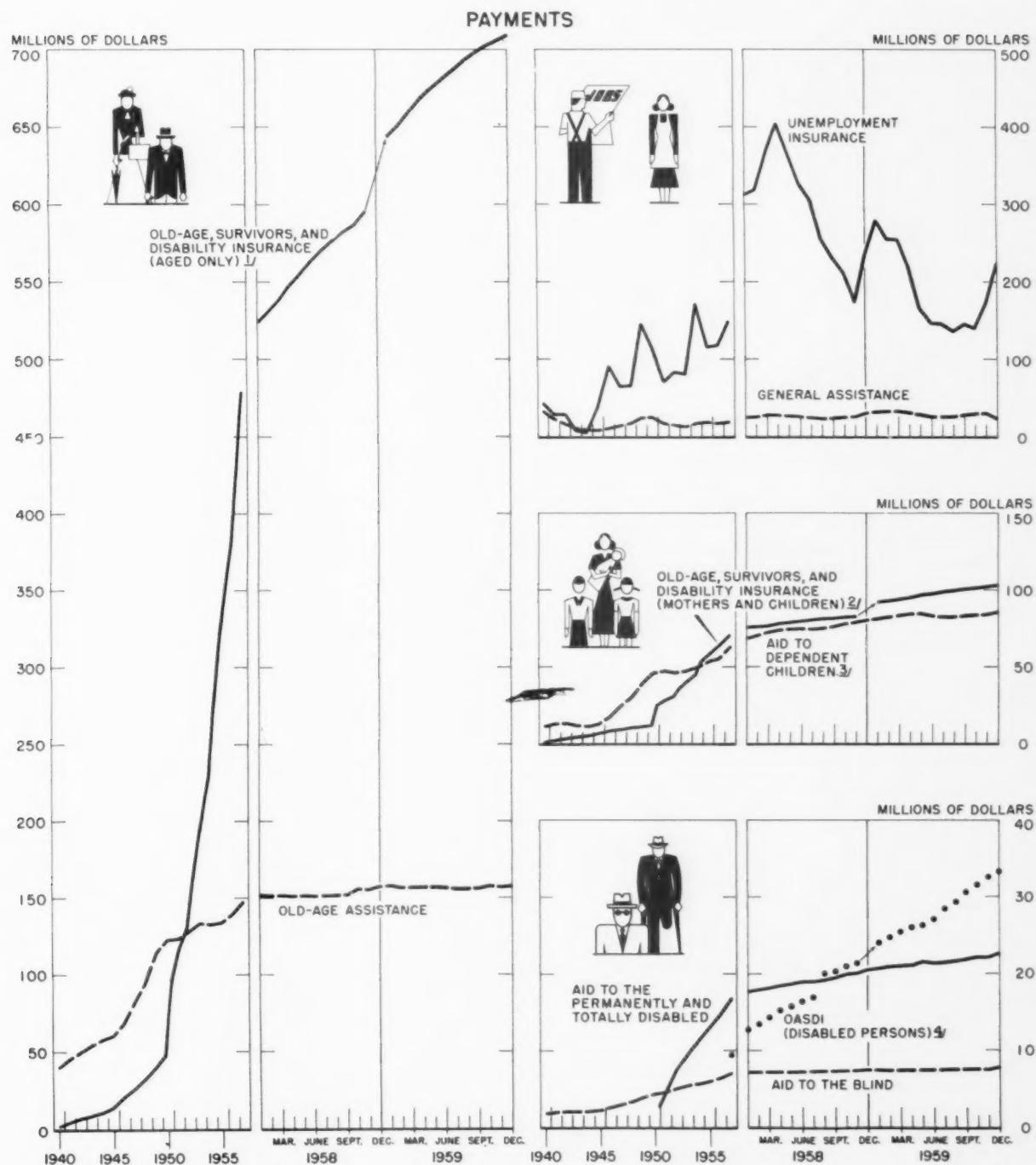
⁷ Includes an unknown number of cases receiving medical care, hospitalization, and burial only, and total payments for these services.

⁸ Not computed; data not comparable.

⁹ Includes cases receiving medical care only.

¹⁰ Estimated on basis of reports from sample of local jurisdictions.

*Social Security Operations**



* Old-age, survivors, and disability insurance: benefits paid during month (current-payment status; data for December 1958 not available); annual data represent average monthly total. Public assistance: payments during month under all State programs; annual data represent average monthly total. Unemployment insurance: gross benefits paid during month under all State laws (and under Federal workers' program); annual data represent average monthly total.

¹ Receiving old-age, wife's or husband's, widow's or widower's,

NOTE: Data for payments and data for individuals receiving payments appear in alternate months.

or parent's benefit.

² Receiving mother's benefit, wife's benefit payable to young wives with child beneficiaries in their care, or child's benefit payable to children under age 18.

³ Children plus 1 adult per family when adults are included in assistance group; before October 1950 partly estimated.

⁴ Disabled workers aged 50-64 or disabled dependent children aged 18 or over of retired, disabled, or deceased workers.

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